FRANCHISE DISCLOSURE DOCUMENT
Cajun Global LLC
a Delaware limited liability company

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The franchises described in this disclosure document are for quick-service restaurants specializing in the sale of fried chicken and other quick-service food under the service mark "Church's Chicken" ("Restaurants" or "Church's Restaurants"). Cajun Global LLC ("Cajun"), a Delaware limited liability company, offers these rights.

The total investment necessary to begin the operation of a new free-standing Church's Chicken Restaurant ranges from $1,192,202 to $1,543,117 for the 1400 Model Blaze Image, $1,296,225 to $1,477,935 for the 1700 Model Blaze Image, and $681,500 to $979,500 for the End Cap Model Blaze Image. Each of these estimates includes a $10,000 Development Fee and a $15,000 Initial Franchise Fee that must be paid to Cajun by new franchisees. If you plan to develop multiple Church's Chicken Restaurants, you will pay a Development Fee in the amount of $10,000 multiplied by the number of Restaurants that you plan to develop.

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, us or our affiliates in connection with the proposed franchise sale or grant. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Frank Costello, Vice President of Franchise Development, at 980 Hammond Drive, Suite 1100, Atlanta, GA 30328, or 770-350-3800.

The terms of your franchise agreement will govern your franchise relationship. Don't rely on the disclosure document alone to understand your franchise agreement. Read all of your franchise agreement carefully. Show your franchise agreement 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 by calling 1-877-FTC-HELP or writing the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: June 14, 2022, as amended August 11, 2022

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
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 I.
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 K 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 Church's Restaurant 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 Church's franchisee?	Item 20 or Exhibit I 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 B.

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 agreements require you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Georgia. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Georgia than in your own state.

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

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EXHIBITS

ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor.

To simplify the language in this Franchise Disclosure Document, "Cajun", "we" or "us" means Cajun Global LLC, the owner and franchisor of the Church's Chicken restaurant system ("System"). "You" means the person or entity who buys the franchise. If you are a corporation or other entity, certain provisions of this Franchise Disclosure Document also apply to your owners and will be noted.

Cajun is a Delaware limited liability company formed on January 14, 2011. Our principal business address is 980 Hammond Drive, N.E., Suite 1100, Atlanta, Georgia 30328-6161. Our agents for service of process are listed in Exhibit B to this Franchise Disclosure Document. We do business under our corporate name and under the trade names *Church's®*, *Church's Chicken®* and *Church's Texas Chicken®* (as well as related trademarks and service marks). For purposes of this disclosure document, Church's Restaurants include restaurants bearing those trade names and related trademarks. We have franchised Church's Chicken Restaurants since our acquisition of the Church's Restaurant business effective February 24, 2011. We do not currently operate any Church's Restaurants, and we do not engage in any business not described in this Item 1.

As of December 26, 2021, there were 1,577 restaurants in the System worldwide, including 1,005 Church's Restaurants located within the domestic United States and Puerto Rico and 572 franchised Church's Restaurants located outside the United States and its territories (some of which operate under the *Texas Chicken* name and trademarks). Of the 1,005 Church's Restaurants located within the United States and its territories, as of December 26, 2021, there were: (1) 161 company-owned Church's Restaurants; and 844 franchised Church's Restaurants. We may offer and sell franchises for operation of Church's Restaurants outside the United States on terms different than those described in this Franchise Disclosure Document and under different trademarks. In the U.S., we have not offered franchises other than for Church's Restaurants, although we may do so in the future, and we do not conduct any other business.

The Restaurants.

Church's Restaurants are quick-service restaurants offering a limited menu of lunch and dinner products featuring flavorful chicken, both original and spicy, *Tender Strips®*, and southern style chicken sandwiches with classic sides and hand-made from scratch biscuits. You must operate Restaurants in accordance with the System. Restaurants may be opened in free-standing buildings, store-front locations including mall locations, college and university locations, convenience stores, travel plazas, and other locations, in either urban, suburban or rural areas. Restaurants may feature walk-in, drive-in, sit-down, order ahead pay ahead, carside to go, delivery or catering formats, or some combination of these types of formats, with our approval.

The Franchises.

Our predecessors opened the first Church's Restaurant in San Antonio, Texas in 1952 and started selling franchises for Church's Restaurants in 1964. Cajun currently grants franchises for Church's Restaurants. We offer franchise agreements and development agreements to qualified individuals and entities wishing to operate Restaurants. We refer to individuals and entities (as well as the owners of entities) as "you" instead of the "Franchisee" or the "Developer" in this Franchise Disclosure Document.

Each Restaurant is operated under a Franchise Agreement. A copy of our standard Franchise Agreement is attached as Exhibit C. Under the Franchise Agreement, we grant you the right (and you accept the responsibility) to operate a Restaurant. You must operate the Restaurant under the Proprietary Marks.

You must also operate the Restaurant under the System and our business and operating procedures, which we describe in our Operations Manual (together with any other manuals created or approved for use in the operation of Church's Restaurants, and all amendments and updates, the "Manual"). The System includes specially designed buildings; distinctive interior and exterior layouts, décor, color schemes, and furnishings; confidential food formulas and recipes used in the preparation of food products and, particularly, a unique seasoning and batter formula for preparing Church's fried chicken; specialized menus; and standards and specifications for equipment, equipment layouts, products, operating procedures, employee training, and management programs. You cannot offer menu items that are not part of the System without our approval. We anticipate continued improvement of the System and will provide new information and techniques to you by means of the Manual.

In addition to a Franchise Agreement, you must sign a Development Agreement regardless of the number of Restaurants you commit to develop. A copy of our standard Development Agreement is attached as Exhibit G. Under the Development Agreement, you are granted the right and you accept the responsibility to develop a specific number of Restaurants in a specific geographic area (the "Development Area"). In some instances, we will sign an Amendment to the Development Agreement which provides limited exclusivity for the Development Area. A copy of our standard Amendment to Development Agreement is attached as Exhibit H. The Development Agreement also specifies the number of Restaurants that you must open and operate and the dates by which they must open and be in operation in a development schedule (the "Development Schedule") to the Development Agreement.

On a limited basis we may sublease the premises of the Church's Restaurant to you. If that occurs you must sign a "Sublease" in addition to the Franchise Agreement and Development Agreement. A copy of our form Sublease is attached as Exhibit Q. The Sublease that you sign may vary from this form based on many factors, such as the underlying lease.

The General Market and the Competition.

The customer base for the quick-service restaurant market includes the total population. There is a clearly established market for fast food prepared away from home. In general, the quick-service restaurant business is highly competitive. Changes in taste and eating habits of the public, local and national economic conditions, population, internet ordering platforms, food delivery, traffic patterns and epidemics such as COVID-19 affect the restaurant business and are generally unpredictable.

The principal basis of competition in the industry is the quality, appeal, and price of the food products offered, but name identification, site location, quality and speed of service, consistency, advertising, and attractiveness of facilities are also important factors. You should expect to compete with other fast food, carry-out, order ahead pay ahead, delivery, catering and sit-down restaurants as well as grocery and/or deli offerings that feature chicken and related menu items similar to those offered at the Restaurants. You will also compete with restaurants and fast food outlets that offer other types of chicken entrées and other foods to be eaten at those restaurants, delivered, or taken out by the consumer.

Some of these competitors may be in close proximity to your Restaurant and may have food delivery, order ahead pay ahead, drive-thru windows, greater financial resources, larger advertising budgets, and more national (or local) recognition than we have. In addition, competition for management and other operating personnel and for sites is intense within the industry.

You may also encounter competition from other Church's Restaurants that our franchisees or we or one of our affiliates operate.

Industry-Specific Laws and Regulations.

You must comply with the local, state and federal laws that apply to the operation of your Restaurant, including health and safety, sanitation, "no smoking", current PCI (payment card industry) requirements, employment laws, caloric disclosure, salt content disclosures and COVID-19 (which may require you to take additional measures such as close the dining room in your restaurant and/or incorporate additional sanitation procedures). You should consult with your attorney concerning these and other laws and ordinances that may affect the operation of your Restaurant, especially COVID-19 related laws and ordinances which change from time to time based on many factors beyond our control. See the Centers for Disease Control COVID-19 Considerations for Restaurant and Bar Operators at https://www.cdc.gov/coronavirus/2019-ncov/community/organizations/business-employers/bars-restaurants.html and the Department of Health website in the state where your restaurant is located for more information.

Our Parent, Predecessors and Affiliates

Cajun Operating Company ("Cajun Operating") is our immediate predecessor, our in-direct corporate parent, and serves as our franchise sales broker. Our direct parent is Cajun Holdco LLC ("Cajun Holdco") a Delaware limited liability company formed on October 7, 2021 and Cajun Holdco is a wholly-owned subsidiary of Cajun Operating. Cajun Operating is a Delaware corporation formed on November 12, 2004, and a wholly-owned subsidiary of Church's Holding Corp. a Delaware corporation ("Church's Holding"). The principal business address of Cajun Operating and Cajun Holdco is the same as ours. Cajun Operating operated and franchised Church's Restaurants from December 26, 2004 to February 24, 2011. On February 24, 2011, in connection with a financing transaction, Cajun Operating assigned all franchise agreements ("Franchise Agreements") and development agreements ("Development Agreements") governing franchised Church's Restaurants to us so that we could expand and administer the System (through new franchises and other means). In connection with the financing transaction, most of the assets associated with the operations of company-owned Church's Restaurants previously owned by Cajun Operating were assigned to our wholly-owned subsidiary, Cajun Restaurants LLC ("Cajun Restaurants") and many of the leases were assigned to our wholly-owned subsidiary, Cajun Realty LLC ("Cajun Realty"). Cajun Restaurants is a Delaware limited liability company formed on January 14, 2011, Cajun Realty is a Delaware limited liability company formed on January 14, 2011, and both of their principal business addresses are the same as ours.

Also in connection with the financing transaction, Cajun Operating contributed its 100% ownership interest in Cajun Funding Corp. ("Cajun Funding"), owner of the *Church's*® and *Church's Chicken*® trade names, service marks and other trademarks that are associated with the System (collectively, the "Proprietary Marks"), to us. Cajun Funding has granted us a 99-year license to use, and license others to use, the Proprietary Marks. Cajun Funding has never offered franchises in any line of business. Cajun Funding is a Delaware corporation formed in November 2004 and its principal business address is the same as ours.

Under a management agreement ("Management Agreement") between us, Cajun Operating, Cajun Realty, Cajun Restaurants and Cajun Funding, Cajun Operating will - at all times acting on our behalf - fulfill all of our duties and obligations under all Franchise Agreements and Development Agreements, including: fulfilling all of our obligations to franchisees; managing the System; marketing, offering and negotiating new and renewal Franchise Agreements and Development Agreements as our franchise broker; and assisting franchisees.

Cajun Operating employs all the persons who will provide services to you on our behalf under the terms of your Franchise Agreements and Development Agreements. If Cajun Operating fails to perform its obligations under the Management Agreement, then Cajun Operating may be replaced as the franchise service provider. However, as the franchisor, we will always be ultimately responsible for fulfilling all of or duties and obligations under your Franchise Agreements and Development Agreements.

September 15, 2021 (the "Closing Date"), pursuant to an Agreement and Plan of Merger with REGO Restaurant Holdings III, LLC, a Delaware limited liability company ("RRH3"), and RIII Merger Sub, Inc., a Delaware corporation, Church's Holding became a wholly-owned subsidiary of RRH3. RRH3 is a wholly-owned subsidiary of Super Rego LLC, a Delaware limited liability company ("Super Rego"). Super Rego is a wholly-owned subsidiary of our ultimate corporate parent High Bluff Capital Partners LLC, ("HBCP"), a Delaware limited liability corporation. HBCP is controlled by private equity funds affiliated with High Bluff Capital Partners. The principal business address of HBCP, RRH3 and Super Rego is 12760 High Bluff Drive, Suite 310, San Diego, CA 92130.

We have affiliates through common ownership with Super Rego and HBCP. Some of these affiliates own and franchise Quiznos® restaurants ("Quiznos Affiliates"). These Quiznos Affiliates include: REGO Restaurant Holdings, LLC, REGO Intermediate Holding Company, LLC, Quiz Franchisor, LLC, Quiz Restaurant Holdings, LLC, Quiz Holdings Canada, LLC, Quiz Holdings LLC, Quiz DIA Holdings, LLC ("Quiz DIA"), Quizno's Canada Restaurant Holding Corporation, Quizno's Canada Advertising Fund Holdings Inc., Quizno's Global Holdings, LLC, Quiz Ad, Inc. and Quiz Gift Card LLC. Quiznos Restaurants feature a submarine and other sandwiches, salads, soups and soft-drinks under the name "QUIZNOS." Quiz DIA owns and operates 1 Quiznos restaurant and 1 independent concept in Denver, CO. As of August 8, 2021, there are: (1) 208 Quiznos Restaurants located within the United States and its territories, of which 1 is a company-owned Quiznos Restaurant and 207 are franchised Quiznos Restaurants; and (2) 287 Quiznos Restaurants operated outside of the United States. The Quiznos Affiliates, Quiz Franchisor, LLC and Quiz DIA's principal business address is 4700 S. Syracuse St., Suite 225, Denver, Colorado 80237.

We also have affiliates through common ownership with RRH3, Super Rego and HBCP that own and franchise Taco Del Mar Restaurants ("TDM Affiliates"). These TDM Affiliates include: REGO Restaurant Holdings II, LLC ("RRH2"), TDM Canada, LLC, TDM Franchising, LLC ("TDMF"), TDM IP Holder, LLC ("TDM IP"), TDM Leasing, LLC ("TDM Leasing"), TDM Leasing of Canada, ULC ("TDM Leasing Canada"), and TDM Franchising of Canada, ULC ("TDM Franchising Canada"). TDM Restaurants feature a variety of Mexican-style food items, such as tacos, quesadillas, burritos, and nachos, under the name "Taco Del Mar." As of August 8, 2021, there are 48 franchised Taco Del Mar Restaurants in the United States and 33 franchised Taco Del Mar Restaurants operated outside of the United States. TDMF's principal business address is 4700 S. Syracuse St., Suite 225, Denver, Colorado 80237. The principal business address of RRH2 is 4700 S. Syracuse St., Suite 225, Denver, Colorado 80237. The principal business address of the TDM Affiliates is 4700 S. Syracuse St., Suite 225, Denver, Colorado 80237 and the principal business address of TDM Leasing Canada and TDM Franchising Canada is in care of Dentons Canada LLP, 2900-10180 - 101 Street, Edmonton AB T5J 3V5.

Additionally, we have affiliates through common ownership with RRH3, Super Rego and HBCP that are franchisees operating Dairy Queen® Restaurants ("DF Affiliates"). These DF Affiliates include: Alaska Deep Freeze Holdings ("ADFH"), Alaska Deep Freeze Holdings II., LLC ("ADFH II") and PO Deep Freeze Holdings, LLC ("PODFH"). Dairy Queen Restaurants feature soft serve ice cream and fast-food items. As of August 8, 2021, DF Affiliates operated 8 Dairy Queen Restaurants in the United States. The principal business address of DF Affiliates is 4700 S. Syracuse St., Suite 225, Denver, Colorado 80237.

Other than as previously described, no other parents, predecessors or affiliates are required to be disclosed in this item. Additionally, other than as previously described, neither we nor our affiliates have operated any Church's Restaurants or offered franchises in any other lines of business, nor do we provide products or services to our franchisees.

ITEM 2
BUSINESS EXPERIENCE

Chief Executive Officer and Director: Joe Guith

Mr. Guith has been our Chief Executive Officer and a Director since August 2022. He was Category President, Restaurant Brands for McAlister's, Moe's and Schlotzsky's at Focus Brands LLC from April 2021 to July 2022, President of McAlister's Deli from April 2018 to April 2021 and President of Cinnabon, Inc. from January 2015 to March 2018.Mr. Guith has been a board member for Goodwill Industries International since June 2017.

Executive Vice President, Chief Financial Officer and Treasurer: Louis J. (Dusty) Profumo

Mr. Profumo has been our Executive Vice President, Chief Financial Officer and Treasurer since January 2011. He has held these positions with Cajun Operating since January 2005. He also held those positions with Cajun Restaurants LLC and Cajun Realty since January 2011. Since January 2011, Mr. Profumo has held the positions of Chief Financial Officer of Cajun Funding and Executive Vice President and Chief Financial Officer of Church's Holding.

Executive Vice President, Chief Legal Officer and Secretary: Craig S. Prusher

Mr. Prusher has been our Executive Vice President and Chief Legal Officer since December 2016. He also holds these positions with Cajun Operating, Church's Holding and each of our subsidiaries. Mr. Prusher has served as our Secretary and as Secretary of Cajun Operating, Church's Holding, Cajun Restaurants and Cajun Realty since August 2012. From August 2012 through September 15, 2021, Mr. Prusher served as the Secretary of Cajun Funding. From August 2012 to December 2016, Mr. Prusher was our Senior Vice President, General Counsel and Secretary and he held these positions with Cajun Operating, Church's Holding and each of our subsidiaries.

Senior Vice President, Franchise Operations and Global Operations Services- Brendan Berg

Mr. Berg has served as our Senior Vice President, Franchise Operations and Global Operations Services since May 2022. He was Senior Vice President, Global Operations Support from October 2017 to April 2022. Prior to that, Mr. Berg was our Vice President of Operations Services from October 2014 through September 2017.

Senior Vice President, Chief People Officer – Karen Jean Brandenberg Viera

Ms. Viera became our Senior Vice President, Chief People Officer in January 2019. Prior to that, Ms. Viera served as our Vice President, Chief People Officer from March 2018 through December 2018. Ms. Viera was the Senior Vice President, Chief Human Resources Officer of MCIC Vermont, LLC (NY & Atlanta Offices) from November 2015 to March 2018.

Senior Vice President, Global Supply Chain - Randy Lawrence

Mr. Lawrence became our Senior Vice President – Global Supply Chain in January 2020, and was our Vice President, Global Supply Chain from October 2018 through December 2019. Prior to joining our organization, Mr. Lawrence was the Vice President – Supply Chain for Bojangles Restaurants Inc. and was the Vice President of QCC Operations for Papa Johns International from March 2013 through October 2017.

Senior Vice President – International Strategic Development and Franchisee Profitability: Russ Sumrall

Mr. Sumrall has served as our Senior Vice President, International Development and Franchisee Profitability since May 2021. Mr. Sumrall was our Vice President, International Development and Franchisee Profitability from October 2019 through April 2021 and our Director, International Business Development from November 2017 to September 2019. From May 1977 until January 2017 Mr. Sumrall served in numerous roles while working at Popeyes Louisiana Kitchen, including working with their sister brand Church's Chicken from 1989 until 1995.

Treasurer and Assistant Secretary: Nicholas Coady Smith

Mr. Smith has been our Assistant Secretary since September 15, 2021, on which date he also became Treasurer and Assistant Secretary of Church's Holding, Cajun Restaurants, Cajun Realty and Cajun Funding. Mr. Smith currently serves as Vice President of High Bluff Capital Partners LLC in San Diego, California, and has held that position since November 2018. Prior to that, Mr. Smith was a Senior Associate for Regent, L.P. in Beverly Hills California from May 2017 through November 2018.

Vice President and Assistant Secretary: Cary D. Devore

Mr. Devore has been a Vice President and Assistant Secretary of Church's Holdings, Cajun Restaurants, Cajun Realty and Cajun Funding since September 15, 2021. Mr. Devore is also the Executive Vice President and Chief Operating Officer of Utz Brands, Inc. in Hanover, Pennsylvanis, and has held that position since October 2021. Prior to this, Mr. Devore served as Executive Vice President and Chief Financial Officer from July 2019 to October 2021. Mr. Devore joined Utz in November 2016 and held various positions prior to his appointment as Chief Financial Officer. Prior to joining Utz, from November 2014 until August 2017 Mr. Devore was a Managing Director of Metropoulos & Co., a private equity firm, where he focused on direct equity investments in the food and beverage sector.

Franchise Manager: Cajun Operating Company

As detailed in Item 1, under the Management Agreement between us (and our three wholly owned subsidiaries Cajun Realty, Cajun Restaurants LLC and Cajun Funding) and Cajun Operating, which was entered into in February 2011, Cajun Operating will act as our franchise broker and will also – on our behalf – fulfill all of our duties and obligations under Franchise Agreements and Development Agreements. See below in this Item 2 for the directors, principal officers and other individuals with Cajun Operating who will have managerial responsibility relating to the sale or operation of Church's Restaurants franchises.

Vice President, Americas – Gregg Gallagher

Mr. Gallagher became our Vice President, Americas in December 2020. Prior to joining us, Mr. Gallagher was Senior Director of International Business Development for Inspire Brands from April 2018 to December 2020. Before joining Inspire Brands, Mr. Gallagher was Head of Latin America and Caribbean for Popeyes Louisiana Kitchen from April 2017 to March 2018. Mr. Gallagher also served as Director of International Business Development for Popeyes Louisiana Kitchen from May 2015 to April 2017.

Vice President, Franchise Development – Frank Costello

Mr. Costello became our Vice President, Franchise Development in April 2022. Prior to joining us, Mr. Costello was Senior Director, Franchise Development for TBC Corporation in Palm Beach Gardens, Florida from May 2018 to April 2022. From January 2011 to February 2018, Mr. Costello was the Chief Financial Officer / Chief Operating Officer for MNF Corp. in Philadelphia, Pennsylvania.

Vice President, Technology – Ahnaf Ali

Mr. Ali became our Vice President, Technology in December 2021. Prior to joining us, from April 2021 to December 2021, Mr. Ali was Vice President of Information Technology for BurgerFi International in North Palm Beach, Florida. From April 2011 to April 2021, Mr. Ali was the Head of Data Engineering for IPC (Subway Purchasing Cooperative) in Miami, Florida.

Assistant Secretary: Shaun Klein

Mr. Klein became our Assistant Secretary and Assistant Secretary for Church's Holdings, Cajun Operating, Cajun Restaurants, Cajun Realty and Cajun Funding on September 15, 2021. Mr. Klein is also a partner at Dentons US LLP, and has held that position since 2008, where he is also currently the Global Co-Chair of the firm's Private Equity Sector.

Senior Regional Franchise Director - East – Bob Gibson

Mr. Gibson became our Senior Regional Franchise Director – East, in January 2022, and prior to that was our Senior Regional Franchise Director from February 2007 through December 2021.

Senior Regional Franchise Director – West – Pam Preston

Mrs. Preston became our Senior Regional Franchise Director – West, in January 2022, and prior to that was our Senior Regional Franchise Director from August 2007 through December 2021.

Director, Domestic New Business, Domestic Franchise Development: Michael Prince

Mr. Prince has been our Director of New Business Development, Domestic Franchise Development since July 2022. He was a Franchise Development Sales Manager for TBC Corporation in Palm Beach Gardens, FL from November 2021 to July 2022. Mr. Prince was Vice President of Franchise Development for United Water Restoration Group, Inc. in Daytona Beach, Florida from October 2020 to October 2021. From February 2016 to October 2020, he was the Global Development Coordinator for United Franchise Group in West Palm Beach, FL.

ITEM 3
LITIGATION

Concluded franchise litigation of Cajun Global:

Saheer Ur Rehman Chaudhry & Ors v. Cajun Operating Company, Claim Number: A40LS211 (High Court of Justice, Queen's Bench Division, Leeds District Registry, March 11, 2014) (the "211 Claim") and Ali Nawaz, Rob Nawaz and Sukhraj Singh Klair & Ors v Cajun Operating Company, Claim

Number: A40LS212, (High Court of Justice, Queen's Bench Division, Leeds District Registry, March 11, 2014) (the "212 Claim"). Former franchisees of the *Texas Chicken* brand brought these two claims against Cajun Operating claiming that Cajun Operating and its employees and consultants used fraud, negligent misstatements and deceit to induce the claimants to develop *Texas Chicken* restaurants in the U.K. All of the restaurants opened by the claimants were subsequently closed and claimants sought monetary damages for the amount of their investment in the franchises plus costs and interests. Cajun Operating and the claimants participated in a non-binding mediation procedure on November 11, 2015 during which the claimants dismissed the case with prejudice in consideration for a payment by Cajun Operating in the amount of £350,000 and no admission of liability on the part of Cajun Operating.

Cajun Global LLC, d/b/a Church's Chicken, *et al.* v. Thomas & Irons, LLC, *et al.*, Case No. 1:18-cv-00538-RWS (United States District Court for the Northern District of Georgia, Atlanta Division) (the "Georgia Lawsuit"). Cajun filed the Georgia Lawsuit on February 2, 2018 against its franchisees and their affiliates for injunctive relief, liquidated damages, trademark infringement, specific performance and breach of the franchise agreements when the franchisees continued to operate one restaurant and failed to de-identify another restaurant that had been closed following the terminations of both franchise agreements. As of the date of this filing, the defendants in the Georgia Lawsuit have not yet been served with process and no further action has been taken in that lawsuit. On February 12, 2018, some of the defendants in the Georgia Lawsuit filed the following lawsuit and obtained a ten-day temporary restraining order enjoining Cajun from enforcing its termination rights under the same franchise agreements at issue in the Georgia Lawsuit: Thomas & Irons, LLC, *et al.* v. Cajun Global, LLC, *et al.*, in the Chancery Court of the First Judicial District of Hinds County, State of Mississippi, civil action number G-2018-193 (the "Mississippi Lawsuit"). In the Mississippi Lawsuit, the plaintiffs allege that Cajun improperly terminated the franchise agreements and brought claims for injunctive relief, breach of contract, violation of Mississippi franchise law, fraudulent and intentional misrepresentation, negligent misrepresentation, and civil conspiracy, among other claims. On February 18, 2018, Cajun removed the Mississippi Lawsuit to the United States District Court for Southern District of Mississippi, civil action number 3:18-cv-1070-DPJ-FKB. The plaintiffs in the Mississippi Lawsuit subsequently filed a motion to remand and for preliminary injunctions. Before any further litigation transpired, Cajun settled the dispute with all defendants pursuant to terms whereby Cajun purchased the operating restaurant from Thomas & Irons, LLC for $175,000, and the parties agreed to mutually release and dismiss all claims. The Mississippi Lawsuit was dismissed on July 31, 2018, and the Georgia Lawsuit was dismissed on April 11, 2019.

Cajun Global, LLC d/b/a Church's Chicken, v. Shawn Eby, Case No. 1:20-cv-03374-SCJ (United States District Court for the Northern District of Georgia, Atlanta Division). Cajun Global LLC filed suit against defendant on August 14, 2020. Defendant is the sole member of a Church's Chicken franchisee who personally guaranteed the obligations of the franchise agreements, including a promissory note in favor of Cajun Global LLC resulting from franchisee's failure to pay past-due financial obligations of the franchisee. Cajun brought a claim of breach of the promissory note and the guarantees. Defendant failed to answer the complaint. On March 26, 2021, Cajun sought entry of default, and the clerk subsequently entered such default. On May 26, 2021, Cajun filed a motion for default judgment seeking judgment in the amount of $1,704,645.98, which motion was granted on October 15, 2021, thereby terminating the litigation.

Pending franchise litigation of Cajun Global:

Cajun Global, LLC, Cajun Operating Company, Cajun Realty, LLC, and Cajun Funding Corp. v. Royal Texas, LLC, Case No. 2022-17350 (Harris County, Texas District Court) (the "Texas Action"). On March 21, 2022, Cajun terminated the franchise agreements of Royal Texas, LLC ("Royal Texas"), a franchisee that operated 52 franchised restaurants in Houston, Texas for, among other things, operational defaults that Cajun deemed to pose a threat or danger to public health and safety. On March 23, 2022, Cajun and its affiliates filed the Texas Action against Royal Texas, asserting claims for breach of contract and to enforce the termination of the franchise agreements. Cajun moved for an *ex parte* temporary restraining order, which the court granted on March 23, 2022. The court enjoined Royal Texas from operating the restaurants or using Cajun's Marks or System and requiring Royal Texas to turn over possession of the restaurants to Cajun. On March 31, 2022, Royal Texas filed an action against Cajun, its affiliate Cajun Operating, LLC, and its private equity ownership, High Bluff Capital Partners, LLC in Georgia: *Royal Texas, LLC v. Cajun Global, LLC, Cajun Operating, LLC and High Bluff Capital Partners, LLC*¸ Case NO. 2022CV362893 (Fulton County, Georgia Superior Court) (the "Georgia Action"). In the Georgia Action, Royal Texas asserted that Cajun breached the parties' franchise agreements and the implied covenant of good faith and fair dealing by: (1) failing to offer Royal Texas renewal terms; (2) terminating the franchise agreements for allegedly pretextual reasons; and (3) allegedly failing to provide local marketing. Royal Texas also asserted claims for an accounting of Cajun Operating's Purchasing Group Fund, for business defamation, and for recovery of its attorneys' fees. The complaint did not make a demand for specific damages, but alleges damages in excess of fifty million dollars. Subsequent to the court in the Texas Action entering a temporary restraining order, Cajun and Royal Texas entered into an Agreed Temporary Injunction on April 11, 2022, pursuant to which Royal Texas agreed that it would not operate the restaurants or use Cajun's Marks or System in the future and Cajun agreed to a bond of $1,000,000. The Agreed Temporary Injunction also obligated Royal Texas to provide copies of its leases and to take steps to have those leases assigned to Cajun and obligated the parties to effect a sale at fair market value of the furniture, fixtures, equipment, inventory, and supplies of the restaurants from Royal Texas to Cajun. The parties' agreement to the Agreed Temporary Injunction was without waiver of any claims or defenses against one another relating to the termination of the franchise agreements or as asserted by Royal Texas in the Georgia Action. The court in the Texas Action set the matter for trial on September 26, 2022. Cajun's answer in the Georgia Action is due on May 6, 2022. Cajun and its affiliates deny the claims Royal Texas has asserted in the Georgia Action and intend to defend against those claims vigorously.

* * *

Other than the 4 actions described above, no litigation is required to be disclosed in this Item.

ITEM 4
<u>BANKRUPTCY</u>

<u>In re QCE Finance LLC, et al.</u>, Case No. 14-10543-LSS (U.S. Bankruptcy Court for the District of Delaware). On March 14, 2014, QFA Royalties LLC filed a "Debtor's Joint Prepackaged Chapter 11 Plan of Reorganization" (the "Plan") in the United States Bankruptcy Court for the District of Delaware. QFA's parent and affiliates (the "<u>Other Debtors</u>"), also filed Debtor's Joint Prepackaged Chapter 11 Plan in the following associated, jointly administrated cases: <u>In re American Food Distributors LLC</u>, Case No. 14-10544-LSS (U.S. Bankruptcy Court for the District of Delaware); <u>In re National Marketing Fund Trust</u>, Case No. 14-10545-LSS (U.S. Bankruptcy Court for the District of Delaware); <u>In re QAFT, Inc.</u>, Case No. 14-10546-LSS (U.S. Bankruptcy Court for the District of Delaware); <u>In re QCE LLC</u>, Case No. 14-10547-LSS (U.S. Bankruptcy Court for the District of Delaware); <u>In re QFA Royalties LLC</u>, Case No. 14-10548-LSS (U.S. Bankruptcy Court for the District of Delaware); <u>In re The Quizno's Master LLC</u>, Case No. 14-10549-LSS (U.S. Bankruptcy Court for the District of Delaware); <u>In re QIP Holder LLC</u>, Case No. 14-10550-LSS (U.S. Bankruptcy Court for the District of Delaware); <u>In re Quiz-CAN LLC</u>, Case No. 14-10551-LSS (U.S. Bankruptcy Court for the District of Delaware); <u>In re Restaurant Realty LLC</u>, Case No. 14-10552-LSS (U.S. Bankruptcy Court for the District of Delaware); <u>In re The Regional Advertising Program Trust</u>, Case No. 14-10553-LSS (U.S. Bankruptcy Court for the District of Delaware); <u>In re The Quizno's Operating Company LLC</u>, Case No. 14-10554-LSS (U.S. Bankruptcy Court for the District of Delaware); <u>In re TQSC II LLC</u>, Case No. 14-10555-LSS (U.S. Bankruptcy Court for the District of Delaware); <u>In re Quiznos Canada Holding LLC</u>, Case No. 14-10556-LSS (U.S. Bankruptcy Court for the District of Delaware); and <u>In re Quiznos Global LLC</u>, Case No. 14-10557-LSS (U.S. Bankruptcy Court for the District of Delaware). QFA and the Other Debtors had their address and principal place of business at

7595 Technology Way, Suite 200, Denver, Colorado 80237. The Plans contemplated the elimination of certain debt and the creation of new debt facilities with new lenders. On May 12, 2014, the court entered an order approving the Plans. On June 30, 2014, the Plan became effective pursuant to its terms, and QFA and the Other Debtors emerged from bankruptcy. The court closed the matter on December 15, 2015. The Plan was filed and became effective prior to the purchase of the Quiznos brand by High Bluff Capital Partners in 2018.

Other than the action described above, no bankruptcy information is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Development Fee. You must sign a Development Agreement regardless of the total number of Restaurants you commit to develop. You must pay a development fee ("Development Fee") for each Restaurant to be developed under the same Development Agreement at the time you sign the Development Agreement. The Development Fee is $10,000 per Restaurant you agree to develop under the Development Agreement.

Initial Franchise Fee. The initial franchise fee ("Franchise Fee") is $15,000 for each Restaurant. You must pay the Franchise Fee, which is in addition to the Development Fee, when you sign the Franchise Agreement for each Restaurant. You must sign the Franchise Agreement within 120 days after we accept a site for the Restaurant and before opening the Restaurant.

Incentive Programs. We are currently offering a "Platinum Incentive Plan" to celebrate the 70th anniversary of our brand. Qualified franchisees must sign a Development Agreement with a 5-year term and includes a minimum of 5 Restaurants, with at least 1 Restaurant opened each year from the date of the Development Agreement. Simultaneously with your execution of the Development Agreement, you will sign a Platinum Incentive Program Addendum to the Development Agreement in the form attached as Exhibit S. The Restaurants developed under that Development Agreement will receive the reduced Development Fee, Initial Franchise Fee, Royalty Fee and Grand Opening Match as described in the table below:

Eligible Restaurant Developed under Platinum Incentive Plan	Development Fee (Due upon signing Development Agreement)	Initial Franchise Fee (Due upon signing Franchise Agreement)	Royalty Fee*	Grand Opening Match	Restaurant Opening Deadline
1st Restaurant	$10,000	$0	0% (Year 1 after Restaurant #1 Opens) 2% (Year 2) 3% (Year 3) 4% (Year 4) 5% (Year 5 and thereafter)	$4,000	No later than 12 months after the effective date of the Development Agreement
2nd Restaurant	$10,000	$0	0% (Year 1 after Restaurant #2 Opens) 2% (Year 2) 3% (Year 3) 4% (Year 4)	$4,000	No later than 24 months after the effective date of the

Eligible Restaurant Developed under Platinum Incentive Plan	Development Fee (Due upon signing Development Agreement)	Initial Franchise Fee (Due upon signing Franchise Agreement)	Royalty Fee*	Grand Opening Match	Restaurant Opening Deadline
			5% (Year 5 and thereafter)		Development Agreement
3rd Restaurant	$10,000	$0	0% (Year 1 after Restaurant #3 Opens) 2% (Year 2) 3% (Year 3) 4% (Year 4) 5% (Year 5 and thereafter)	$4,000	No later than 36 months after the effective date of the Development Agreement
4th Restaurant	$10,000	$0	0% (Year 1 after Restaurant #4 Opens) 2% (Year 2) 3% (Year 3) 4% (Year 4) 5% (Year 5 and thereafter)	$4,000	No later than 48 months after the effective date of the Development Agreement
5th Restaurant	$10,000	$0	0% (Year 1 after Restaurant #5 Opens) 2% (Year 2) 3% (Year 3) 4% (Year 4) 5% (Year 5 and thereafter)	$4,000	No later than 60 months after the effective date of the Development Agreement
*Changes to the Royalty Fee as described in the schedule listed in this table will start on the first day of the week after the anniversary of the Effective Date in Year 2, Year 3 and Year 4.					

Existing Franchisees must, at a minimum, be in good standing to qualify for the Platinum Incentive Plan.

When you sign the Franchise Agreement for each Eligible Restaurant that you develop and open in accordance with the terms of the Development Schedule and the Platinum Incentive Plan requirements, you will sign a Platinum Incentive Program Addendum to the Franchise Agreement in the form attached as Exhibit S.

The Platinum Incentive Plan may not be combined with any other franchise fee or royalty incentives. If you acquire existing Restaurants from another franchisee, we have the option, in our sole discretion, to offer or not offer the Platinum Incentive Plan for those Restaurants.

* * *

All of the fees described above must be paid in full. Except as noted, none are refundable. Generally, our Development and Franchise Fees are uniformly imposed on our franchisees. However, in certain unique circumstances, we may reduce or waive a fee for a particular franchisee.

Generally, our Development and Franchise Fees are uniformly imposed on our franchisees. However, in certain unique circumstances, we may reduce or waive a fee for a particular franchisee.

ITEM 6
OTHER FEES

TYPE OF FEE[1]	AMOUNT	DUE DATE	REMARKS
Development Schedule Extension Fee	$3,000 for each Development Schedule extension of 4 months – if extending opening date and open within the extended time period, the extension fee will be credited to the Franchise Fee; if extending site approval date, no credit	Upon our approval of any Development Schedule Extension	We reserve the right, in our sole discretion, to grant one or more Development Schedule Extensions to site approval date and/or opening date.
Royalty[2]	5% of Gross Sales	Within 5 business days after the end of each fiscal week.	"Gross Sales" means all revenue related to the Restaurant, less sales taxes. *See* Item 5 for summary of the Platinum Incentive Plan and incentives offered.
Tax Reimbursement	If any taxes, fees or assessments are imposed on us by reason of our acting as franchisor or licensing proprietary marks to you, then you must reimburse us such amount	30 days after receipt of invoice	
Advertising Fund Contribution	5% of Gross Sales (up to 1% of Gross Sales if a Regional Co-Op has been formed, plus contribution to Co-Op) and at least $25,000/year	Same as Royalty	
Transfer	$5,000	Upon transfer of franchise	
Unauthorized Transfer	$25,000	Upon transfer of franchise if transfer made in violation of Franchise Agreement	
Renewal	50% of our then-current, standard, initial franchise fee	Upon signing of Franchise Agreement for the renewal term	Renewal is subject to contractual requirements. See Item 17.
Securities Offering Review Fee	$5,000 or such greater amount as is necessary to reimburse us for reviewing the proposed offering	Upon request for review	Fee charged only if you propose to place securities in public or private offering.

TYPE OF FEE[1]	AMOUNT	DUE DATE	REMARKS
New Supplier Inspection and Product Testing	Cost of inspecting the facilities of a previously unapproved supplier proposed by you and of testing ingredients, products, supplies or goods you propose to purchase from that supplier (could range from $0 to $5,000)	If incurred, on demand	You must pay the costs of our inspection of the facilities of a previously unapproved supplier proposed by you and of our testing ingredients, products, supplies or goods from that supplier.
Audit (by us)	Cost of audit	If incurred, on demand	If we audit you and find that you understated Gross Sales by 2% or more, you must reimburse us for the cost of the audit. [3]
Customer Satisfaction and Franchise Compliance Programs ("Restaurant Support Fund")	Currently $95 per 4-week period for the combination of Guest Hotline (Market Force), Customer Survey Program (SAT Track), OPS 360 Tablet Protective Hardware, Verizon Cellular Tablet Fees, KNOX Tablet Security, Tablet protection fees, and Acrelec Drive-Thru Timer subscription fee, or currently $75 per 4-week period for the HME Drive-Thru Timer system.	Every four weeks.	You must pay $95 per 4-week period to us and we will pass the fees for these technologies on to the vendors supplying the technology. We do not keep any portion of those fees. If you are using the HME Drive-Thru Timer in lieu of the Acrelec Drive-Thru Timer, the fee will be $75 per 4-week period.
Late Payment Fee - Overdue Payments and Understated Sales	1.5% of the amounts due per month, plus $100	On demand	The late payment fee runs from the date your payment was due until the date it is received by us. The late payment fee charged will not exceed the maximum amount permitted by applicable law.
Default Royalty	1% of Gross Sales	Within 5 business days after the end of each fiscal week.	For as long as you are in default under the Franchise Agreement, we may raise your Royalty Fee by 1% of Gross Sales.
Costs and Attorneys' Fees	Will vary by circumstances	Immediately, if incurred	Costs and attorneys' fees are payable if we terminate the Franchise Agreement due to your default.

TYPE OF FEE[1]	AMOUNT	DUE DATE	REMARKS
Cure	Will vary by circumstances	If incurred, on demand	If you breach the Franchise Agreement or fail to comply with the Manual, we may take action to cure such breach or failure, and you must reimburse us for our reasonable costs and expenses.
Follow-up Inspection	Will vary by circumstances	If incurred, on demand	If you fail an inspection conducted by us, we may require you to reimburse us for all costs (both out-of-pocket and internal overhead) we incur to conduct a follow-up inspection.
Indemnity	Will vary by circumstances	If incurred, on demand	You must indemnify and reimburse us for our costs and any judgment if we are sued for claims relating to the operation of your Restaurant.
Liquidated Damages	Average weekly royalty fees and advertising contributions for the 52 weeks preceding termination, multiplied by 208 (or if less than four years remaining in the term, multiplied by the number of weeks remaining in the franchise term).	If incurred, on demand	This amount is intended to reflect damages to us if your franchise agreement is terminated by us based upon your default.
Supply Chain Department Surcharge	Pass-through of our cost	Upon payment for goods which bear a surcharge dedicated to the Supply Chain Department.	Costs of the Supply Chain Department are reimbursed by surcharges on certain goods. Currently, the surcharges are $1.42 per case of flour (breading), $2.00 per case of regular chicken boxes, $1.83 per case of family chicken boxes, and $1.64 per case of biscuit mix.

TYPE OF FEE[1]	AMOUNT	DUE DATE	REMARKS
Manager Training	Cost of training program	Before attending training	Under current policy, there is no fee for the first two manager trainees in the case of a new development; the fee for each additional manager trainee is $1,250 ($250 per week). A franchisee who acquires the franchise through a transfer is required to pay a $1,250 management training fee for the first two (and any subsequent) trainees.

NOTES:

1 These fees are imposed and collected by and payable to us and are non-refundable. Generally, all fees are uniformly imposed on our franchisees. However, in our discretion, we may reduce or waive a fee for a particular franchisee for a limited period of time.

2 You must participate in our electronic funds transfer program authorizing us to utilize a pre-authorized bank draft system. All royalty fees and other amounts owed to us under the Franchise Agreement, including advertising contributions and interest charges, must be received by us or credited to our account before 5:00 p.m. on the fifth business day after the end of each fiscal week. You must designate an account at a commercial bank and furnish the bank with all authorizations necessary to permit us to make withdrawals by electronic funds transfer.

3 It is very difficult to estimate audit costs that you might experience as these costs are contingent on a number of factors and, therefore, vary widely. For example, audit fees may be dependent upon the amount of any understatement; the fees that were understated; the length of time the fees were understated; whether the understatement was intentional; the location of the franchisee's offices and its restaurants; the condition of the franchisee's books and records; the number of restaurants at issue; and the franchisee's cooperation, or lack of cooperation, with the auditor. Depending upon these factors, we anticipate that the audit costs could range from $1,000 to $5,000 for one Restaurant.

ITEM 7
ESTIMATED INITIAL INVESTMENT

Your initial investment will depend on the type of Church's Restaurant that you develop.

YOUR ESTIMATED INITIAL INVESTMENT: 1400 Blaze Model

The "1400 Blaze" model is a free-standing restaurant that is approximately 1,400 square feet with limited parking, dine-in and 1 or 2 lane drive-thru facilities, and which complies with our current brand standards, including the "Blaze Image." This does not include an additional 325 square feet for the walk-in cooler and freezer and the utility room located outside of the Franchised Restaurant. Starting in early 2022 we began constructing free-standing "Blaze Image" restaurants that will include our new "Church's Texas Chicken" trademark. *See* Item 13 of this disclosure document for information regarding the

"Church's Texas Chicken" trademark. The estimated initial investment for a ground-up construction of a 1400 Blaze model is described in the table below.

The initial investment to convert an existing building to a Blaze Image restaurant will vary according to the circumstances. The initial investment to convert an existing building will vary according to the circumstances.

Type of Expenditure	Amount		Method Of Payment	When Due	To Whom Payment Is To Be Made[1]
	Low	High			
Development Fee[2]	$10,000	$10,000	Lump sum	At signing of Development Agreement	Cajun
Initial Franchise Fee[2]	$15,000	$15,000	Lump sum	At signing of Franchise Agreement	Cajun
Real Estate (purchase or lease)[3]	Variable	Variable	Lump sum or Monthly	As arranged	Lessors/ vendors
Site Work[4]	$202,957	$257,490	Lump sum	As ordered	Vendors
Building and Improvements[5]	$526,196	$656,828	Lump sum	As ordered	Vendors
Equipment and Signs [6]	$358,899	$372,499	Lump sum	As ordered	Vendors
Fees, Misc., A&E Services, Deposits[7]	$50,000	$150,000	Lump sum	As ordered	Vendors, consultants, municipalities
Initial Training[8]	$ 0	$23,000	As incurred	As incurred	Employees/ vendors
Opening Supplies[9]	$6,350	$12,700	As arranged	As incurred	Suppliers

Type of Expenditure	Amount		Method Of Payment	When Due	To Whom Payment Is To Be Made[1]
	Low	High			
Insurance[10]	$7,500	$10,000	As arranged	As ordered	Insurance company/ broker
Utility Deposits[11]	$5,000	$15,000	Lump sum	Per lease or utility company's requirements	Utility companies/ lessors
Business Licenses[12]	$300	$600	Lump sum	Before opening	Government agencies
Additional Funds – 3 Months[13]	$10,000	$20,000	As arranged	As needed	Employees/ suppliers
Total Investment[14]	**$1,192,202 to $1,543,117 (excluding Real Estate)**				

YOUR ESTIMATED INITIAL INVESTMENT: 1700 Blaze Model

The "1700 Blaze" model is a free-standing restaurant that is approximately 1,700 square feet with dine-in and 1 or 2 lane drive-thru facilities, and which complies with our current brand standards, including the "Blaze Image." This does not include an additional 325 square feet for the walk-in cooler and freezer and the utility room located outside of the Franchised Restaurant. Starting in early 2022 we began constructing free-standing "Blaze Image" restaurants that will include our new "Church's Texas Chicken" trademark. *See* Item 13 of this disclosure document for information regarding the "Church's Texas Chicken" trademark. The estimated initial investment for a ground-up construction of a 1700 Blaze model is described in the table below.

The initial investment to convert an existing building to a Blaze Image restaurant will vary according to the circumstances. The initial investment to convert an existing building will vary according to the circumstances.

Type of Expenditure	Amount		Method Of Payment	When Due	To Whom Payment Is To Be Made[1]
	Low	High			
Development Fee[2]	$10,000	$10,000	Lump sum	At signing of Development Agreement	Cajun
Initial Franchise Fee[2]	$15,000	$15,000	Lump sum	At signing of Franchise Agreement	Cajun
Real Estate (purchase or lease)[3]	Variable	Variable	Lump sum or Monthly	As arranged	Lessors/ vendors
Site Work[4]	$242,054	$254,054	Lump sum	As ordered	Vendors
Building and Improvements[5]	$591,122	$595,082	Lump sum	As ordered	Vendors
Equipment and Signs [6]	$358,899	$372,499	Lump sum	As ordered	Vendors
Fees, Misc., A&E Services, Deposits[7]	$50,000	$150,000	Lump sum	As ordered	Vendors, consultants, municipalities
Initial Training[8]	$ 0	$23,000	As incurred	As incurred	Employees/ vendors
Opening Supplies[9]	$6,350	$12,700	As arranged	As incurred	Suppliers
Insurance[10]	$7,500	$10,000	As arranged	As ordered	Insurance company/ broker

Type of Expenditure	Amount		Method Of Payment	When Due	To Whom Payment Is To Be Made[1]
	Low	High			
Utility Deposits[11]	$5,000	$15,000	Lump sum	Per lease or utility company's requirements	Utility companies/ lessors
Business Licenses[12]	$300	$600	Lump sum	Before opening	Government agencies
Additional Funds – 3 Months[13]	$10,000	$20,000	As arranged	As needed	Employees/ suppliers
Total Investment[14]	**$1,296,225 to $1,477,935 (excluding Real Estate)**				

YOUR ESTIMATED INITIAL INVESTMENT: End Cap Restaurant

An End Cap Restaurant is located at the end of a retail space in a shopping center or Travel Plaza with both dine-in and drive-thru facilities, and which complies with our current brand standards, including the "Blaze Image." The estimated initial investment for an End Cap Restaurant with approximately 1500 square feet is described in the table below. The low end of the estimates below reflects very limited site work plus "Tenant Improvements" (retrofit or renovation work required to convert existing space). The high end of the estimates reflects adding new building structure and sitework to create the restaurant. *See* Item 13 of this disclosure document for information regarding the "Church's Texas Chicken" trademark. The initial investment to convert an existing building to a Blaze Image restaurant will vary according to the circumstances.

Type of Expenditure	Amount		Method Of Payment	When Due	To Whom Payment Is To Be Made[1]
	Low	High			
Development Fee[2]	$10,000.00	$10,000.00	Lump sum	At signing of Development Agreement	Cajun

Type of Expenditure	Amount		Method Of Payment	When Due	To Whom Payment Is To Be Made[1]
	Low	**High**			
Initial Franchise Fee[2]	$15,000.00	$15,000.00	Lump sum	At signing of Franchise Agreement	Cajun
Real Estate (purchase or lease)[3]	Variable	Variable	Lump sum or Monthly	As arranged	Lessors/ vendors
Site Work[4]	$17,650	$42,500	Lump sum	As ordered	Vendors
Building and Improvements[5]	$230,200	$386,500	Lump sum	As ordered	Vendors
Equipment and Signs [6]	$324,500	$344,600	Lump sum	As ordered	Vendors
Fees, Misc., A&E Services, Deposits[7]	$50,000.00	$100,000.00	Lump sum	As ordered	Vendors, consultants, municipalities
Initial Training[8]	$0	$23,000.00	As incurred	As incurred	Employees/ vendors
Opening Supplies[9]	$6,350.00	$12,700.00	As arranged	As incurred	Suppliers
Insurance[10]	$7,500.00	$10,000.00	As arranged	As ordered	Insurance company/ broker
Utility Deposits[11]	$10,000.00	$15,000.00	Lump sum	Per lease or utility company's requirements	Utility companies/ lessors
Business Licenses[12]	$300.00	$600.00	Lump sum	Before opening	Government agencies
Additional Funds – 3 Months[13]	$10,000.00	$20,000.00	As arranged	As needed	Employees/ suppliers
Total Investment[14]	**$681,500 to $979,900 (excluding Real Estate)**				

NOTES:

1. All costs paid to us are non-refundable.

2. You must sign a Development Agreement regardless of the number of Restaurants you develop. When you sign a Development Agreement, you must pay a Development Fee in the amount of $10,000 for each Restaurant you agree to develop under the Development Agreement. The Franchise Fee is $15,000 for each Restaurant. You must pay the $15,000 Franchise Fee, which is in addition to the Development Fee, when you sign the Franchise Agreement for each Restaurant. You must sign the Franchise Agreement within 120 days after we accept a site for the Restaurant and prior to opening the Restaurant. You can find additional details about these fees in Item 5 above.

3. We cannot estimate your initial investment for real estate. However, the following factors will bear on the amount of your investment. If you do not already own adequate Restaurant space, you will have to purchase or lease land and a building for the Restaurant. Typical locations for Restaurants are shopping centers, urban commercial areas and suburban shopping areas. These typical Restaurants range in size from 1,400 to 1,700 square feet. Free-Standing restaurants in suburban locations will require from 28,000 to 32,000 square feet of land for the Restaurant and adequate parking facilities. The cost of commercial land or restaurant space, whether you lease or buy, varies considerably depending upon the location and conditions affecting the local market for commercial property. Based upon rent paid for our Company Restaurants during fiscal year 2021, we estimate that the annual rent for leased space will range from $12,000 to $124,000, depending upon factors, including but not limited to, the following: whether the Restaurant is located within an existing retail business (*e.g.,* shopping center), is a freestanding building or is an inline or corner unit in a strip center. Please note that, because we are a AAA-rated tenant, our rent may be less than yours. Security deposits should not exceed an average of two months' rent on the property. The cost of converting land to use as a Restaurant may vary widely depending upon the previous use and condition of the property.

4. The initial investment for site work can vary significantly depending on location and size of the Restaurant. The amount of site work needed will depend on the condition of the land when leased or purchased.

5. Free-Standing Restaurants are ordinarily of wood frame, EIFS (Exterior Insulation and Finish System) and/or masonry construction. The estimates provided assume new ground-up construction.

6. You must purchase certain items of furniture, fixtures, equipment, signage, digital menu boards, drive-thru timers, smallwares, and computer systems (including a POS System, back office software and credit card processing as described in Item 8 and Item 11), and the estimates provided assume these items are purchased new. The Manual contains a complete list of the equipment needed. The cost of equipment and signage varies depending on the size and location of the Restaurant.

7. You must obtain, at your own expense, additional qualified architectural and engineering services to prepare surveys, site and foundation plans and to adapt the standard plans and specifications to applicable local or state laws, regulations or ordinances. You must bear the cost of preparing plans that deviate from and/or modify the standard plans. Certain governmental authorities may require impact fees, filings fees, and other costs of doing business, which vary from jurisdiction to jurisdiction.

8. In connection with the initial training, you will need to arrange and pay for transportation, lodging, food and incidental expenses for you and your designated management employees. You must also pay the salaries and benefits of your designated management employees. The expenses you will incur

depend on factors such as the cost of travel, hotel accommodations, and meals, as well as employee salaries and associated costs. In addition, training expenses will vary depending upon how many employees you send to training. We may require that you send a certain minimum number of employees that we determine to training.

9. We estimate that the range given will be sufficient to cover a supply of food and paper products for one to two weeks of Restaurant operations.

10. Required insurance includes general liability, employer's liability, workers' compensation, auto liability and property insurance. See Section 8 of the Development Agreement and Section 12 of the Franchise Agreement for specific requirements and coverage amounts. Your costs will vary according to the risks associated with your business and your location. The cost of workers' compensation insurance will vary according to the number of employees of the Restaurant and the requirements of state law.

11. You may need to provide deposits for utilities. The amount of these deposits and utility costs will vary depending upon the location of the Restaurant and the practices of the lessor, your creditworthiness and the utility companies.

12. Local, municipal, county and state regulations vary on what licenses and permits are required for you to operate a Restaurant. For example, you may need city and county occupational licenses and a city food-handlers' license. Such fees are paid to governmental authorities, when incurred, before commencing business.

13. You will need capital to support on-going expenses, such as payroll, uniforms, supplies and miscellaneous expenses. We estimate that the amount given will be sufficient to cover on-going expenses for the initial phase of business, which we estimate to be three months. This is only an estimate, however, and there is no assurance that additional working capital will not be necessary during this initial phase or after.

14. The range given provides our best estimate of your total investment for one Restaurant to be developed under the Development Agreement. We relied upon the many years of experience of our executives identified in Item 2, our construction department, and reports from our franchisees in preparing these figures.

15. In late 2021, we began requiring each franchisee to complete a reimage or scrape and rebuild of its Restaurants (depending upon the condition of the Restaurant) to the new "Blaze Image" if that franchisee's Restaurant is within the Franchised Restaurant Renovation time frame required under its Franchise Agreement. See Section 10.F.2 of the Franchise Agreement. We estimate the cost of adding our new core image elements to comply with the new "Blaze Image" will range from $50,000 to $200,000 depending on the size of the Restaurant.

This estimate does not include any deferred repair and maintenance that must be completed as part of any remodel nor does it include any modifications required under the Americans with Disabilities Act. Costs may vary considerably based on building type (end cap should be on the low end of the range and free-standing restaurants or conversions may be on the high end of the range), age and condition of the building, and the cost of materials and contractors in your local market.

16. In the past, we also franchised restaurants in the "C Store" model, which is a Restaurant inside of or attached to a convenience store. We may franchise this model on a limited basis in our sole discretion or renew the existing franchise agreements for the "C Store" model. The cost of constructing a "C Store" is similar to an End Cap model.

*   *   *

As described in Item 10, we do not offer, either directly or indirectly, financing to you in connection with your initial investment. The availability and terms of financing from third parties will depend on factors such as the availability of financing generally and your credit-worthiness.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases or Leases

To operate the Restaurant, you must use certain items that incorporate our trade secrets ("Trade Secret Products"). Trade Secret Products include ingredients, products, materials, supplies and other items. Trade Secret Products include our fried chicken batters and seasonings and certain other food products and recipes (including fried okra batter and breading; boneless wing seasonings, batters, and breading; buffalo wing seasoning, marinated chicken strips formula, cob corn oil, biscuit topping and mix, macaroni and cheese formula, mashed potatoes formula, fried apple pies formula, jalapeno cheese bombers, various other seasonings and sauces). You must buy Trade Secret Products only from suppliers that we designate.

Certain products bear our Proprietary Marks and are made to our specifications by approved manufacturers ("Proprietary Products"). You must buy Proprietary Products only from manufacturers we approve in writing. Examples of Proprietary Products include certain uniforms, signs, menu boards, paper goods and packaging.

We require you to obtain, install and use point-of-sale equipment, software, back-office computer systems and credit card processing (collectively, "POS System") from our approved suppliers, which are currently SynergySuite and QuBeyond. The POS System must be installed by an approved vendor, which is currently HonorBuilt.

We also require you to obtain, install and use DT timers and associated hardware and software (collectively "DT Timers") that we specify in writing. We currently have preferred vendors that limit your choice of DT Timers. Depending on the number of drive-thru lanes at your Restaurant, we may require you to have additional DT Timers.

You must construct the Restaurant in accordance with our standard plans and specifications, or according to plans and specifications approved by us.

You must purchase, install, and use only fixtures, furnishings, equipment (including, without limitation, fryers, grills, ovens, warmers, refrigerators, freezers and drive-thru timers) and signs that we have approved as meeting our specifications and standards for quality, design, appearance, function and performance.

You must purchase all items (except for Trade Secret Products, Proprietary Products, and items that you must purchase from designated suppliers) needed to operate the Restaurant (such as french fries, flour, food trays, paperwares, etc.) only from suppliers and distributors who demonstrate, to our continuing and reasonable satisfaction, the ability to meet our reasonable standards for those items; who possess adequate quality controls and capacity to supply your needs promptly and reliably; and as to whom we have given (and not revoked) our written approval.

Church's Supply Chain Department provides purchasing and logistical services to the System. You must participate in Church's Supply Chain Department (or any successor designated by Church's) and sign a Participation Memorandum regarding your participation substantially in the form attached as Exhibit T. The Supply Chain Department negotiates with certain vendors and suppliers for the benefit of franchisees as well as company-owned stores. The Supply Chain Department passes its costs and overhead to the System through surcharges on certain products, as detailed in Item 6. Currently, these surcharges are: $1.42 per case of flour (breading), $2.00 per case of regular chicken boxes, $1.83 per case of family chicken boxes, and $1.64 per case of biscuit mix. The surcharges are imposed by the distributors of these products and then paid to the Supply Chain Department. The Supply Chain Department has a Board of Directors with seven members. The Church's Independent Franchise Association appoints three members of the Board, the two largest franchisees (determined by annual revenue) appoint two members of the Board, and we appoint the remaining two members of the Board. The budget of the Supply Chain Department, including the surcharges on certain products, is subject to the approval of the Supply Chain Department's Board of Directors.

You must participate in a guest feedback/hotline program operated by ServiceCheck, Inc. You must also participate in an interactive voice response customer survey program, known as "SAT Track," operated by Service Management Group, Inc. The costs associated with each of these programs are disclosed in Item 6. We have access to information regarding your participation in these programs, including the results of your participation in these programs.

You also must participate in food delivery and catering programs operated by us or third party delivery and catering programs operating in the Restaurant area (the "Delivery and Catering Program"), such as UberEats, DoorDash, Postmates and GrubHub, among others (the "Delivery and Catering Companies"). If you participate in the Delivery and Catering Program, you may need to sign a contract with the Delivery and Catering Companies that is substantially in the form shown in Exhibit R of this Franchise Disclosure Document (the "Delivery and Catering Company Contract"). We do not currently charge you a fee for participating in the Delivery and Catering Program, however, fees are charged by the Delivery and Catering Companies. We reserve the right to charge you a fee for participating in the Delivery and Catering Program in the future. We have access to information regarding your participation in these programs, including sales data, however, we do not have access to any payment card information or private customer information. We also reserve the right to waive or reduce fees you pay to us that are listed in Item 6 based upon your participation in the Delivery and Catering Program.

Additionally, you must participate in our order ahead, pay ahead program (the "Order Ahead Program"). This program, which operates through integrated ordering enterprise software from Olo, allows our customers to order our food via the churchs.com website then pick up their food at a Church's Chicken restaurant at a later time that the customer chooses. We do not currently charge you a fee for participating in the Order Ahead Program, however, fees are charged by Olo for each order processed. We reserve the right to charge you a fee for participating in the Order Ahead Program in the future. We have access to information regarding your participation in the Order Ahead Program, including sales data, however, we do not have access to any payment card information or private customer information. We also reserve the right to waive or reduce fees you pay to us that are listed in Item 6 based upon your participation in the Delivery and Catering Program.

Under the Franchise Agreement, we may designate an exclusive beverage supplier or suppliers for beverage products sold within the System ("Designated Beverage Supplier"). After 30 days' notice to you of our appointment of a Designated Beverage Supplier, you must purchase all designated beverage items only from the Designated Beverage Supplier.

None of our officers own an interest in any privately-held suppliers, or a material interest in any publicly-held suppliers, of the Church's Chicken franchise system. From time to time, our officers may own non-material interests in publicly-held companies that may be suppliers (or have subsidiaries that may be suppliers) to our franchise system.

You cannot offer menu items that are not part of the System without our approval.

Optional Purchases or Leases

Under the Development Agreement, you are required to obtain the right to occupy the premises at which you will operate each Restaurant. We will have the right to review and approve these premises. You will generally have the option to buy, lease, or sublease the premises, depending upon market conditions. If you lease or sublease the premises, we will have the right to review and approve the lease or sublease. We may require the lease or sublease to contain the following terms, among others, before we will give our approval: (1) if you default under the lease/sublease, or stop operating the Restaurant for any reason, we will have the right to assume your rights and obligations under the lease/sublease; (2) if you default under the lease/sublease, we must receive a copy of any notice of the default; and (3) if you default under your lease/sublease or stop operating the Restaurant, we may modify the premises as necessary to enforce the covenants against competition and the other post-termination obligations under the Franchise Agreement that are noted in Item 17 below.

Approval of Alternate Suppliers or Vendors

If you want to obtain items from a non-approved supplier or distributor, you (or the supplier or distributor) must make a written request to us seeking approval. As a condition of our approval, we may require that the supplier or distributor allow our representatives to inspect its facilities and that the supplier or distributor deliver samples, at our option, either to us or to an independent laboratory that we designate for testing before we will grant our approval. The approval process ranges from 30 days for simple items to 18 months for highly complex food formulas, which require more extensive testing. You or the supplier or distributor must pay a charge not to exceed our reasonable cost of inspection and the actual cost of testing. We do not currently charge an additional fee to approve suppliers and distributors, but we reserve the right to do so. We reserve the right, at our option, to periodically reinspect the facilities and products of any approved supplier or distributor. We will also have the right to revoke our approval if we find that a supplier or distributor no longer meets our standards. The process of reviewing possible suppliers and distributors includes many factors, such as inspecting and testing sample products to determine whether the products meet our standards, inspecting a proposed distributor's physical plant and similar steps to assure compliance with our standards for quality, food safety and sanitation. If we conclude that an approved supplier or distributor no longer meets our standards, we will revoke our approval of that supplier or distributor.

We do not currently require you to buy or lease goods or services from us, nor do we or our affiliates presently supply or offer to sell or lease goods or services to our franchisees. We do not derive income from sales made by designated or approved suppliers or distributors to Church's franchisees (however, the distributors collect a surcharge on certain products to fund the Church's Supply Chain Department, as described below). There are currently no purchasing or distribution cooperatives.

We will provide our standards to you through our Manual. We will lend you a copy of our Manual when you sign the Franchise Agreement and pay us the initial Franchise Fee and any other amounts then due. We may update and revise these standards periodically, and we will notify you of these changes by written or electronic communication. See Item 11. We usually develop standards internally, but sometimes we develop standards with suppliers.

Revenue from Franchisee Purchases

We estimate that your purchases from approved suppliers or from suppliers that we designate, and otherwise under our standards, will be approximately 99% of the total purchases and leases of products and services needed to establish the Restaurant, and approximately 99% of the total purchases and leases of products and services needed to operate the Restaurant. We also estimate that your purchase of Trade Secret Products will be less than 1% of the total purchases and leases of products and services needed to establish the Restaurant, and approximately 25% of the total purchases and leases of products and services needed to operate the Restaurant.

We do not currently receive rebates from any suppliers based upon purchases by franchisees.

We do not require you to buy or lease any goods or services from us, or suppliers designated by us, except as described above.

We do not confer special or other material benefits on franchisees that buy or lease from approved suppliers or sources.

ITEM 9
FRANCHISEE'S OBLIGATIONS

The following table lists your principal obligations under the Franchise Agreement and the Development Agreement. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

OBLIGATION	SECTION(S) IN AGREEMENT(S)	DISCLOSURE DOCUMENT ITEM
a. Site Selection and Acquisition/Lease	§ 5 of Development Agreement	Item 11
b. Pre-Opening Purchases/Leases	§ 6 of Development Agreement	Items 5, 7 and 8
c. Site Development and Other Pre-Opening Requirements	§ 8 of Franchise Agreement §§ 5 and 7 of Development Agreement	Items 7, 8 and 11
d. Initial and On-Going Training	§§ 8 and 10 of Franchise Agreement	Item 11
e. Opening	§7 of Development Agreement	Item 11
f. Fees	§§ 3, 4, 8, 10, 15, 18 and 22 of Franchise Agreement §§ 3, 4, 12 and 18 of Development Agreement	Items 5 and 6
g. Compliance with Standards and Policies/ Operating Manual	§ 6, 7 and 10 of Franchise Agreement § 9 of Development Agreement	Items 6, 8 and 11
h. Trademarks and Proprietary Information	§§ 5, 7, 11 and 17 of Franchise Agreement § 14 of Development Agreement § 3 of Guaranty Agreement	Items 13 and 14
i. Restrictions on Products/Services Offered	§ 10 of Franchise Agreement	Item 16
j. Warranty and Customer Service Requirements	§ 10 of Franchise Agreement	Item 11
k. Territorial Development and Sales Quotas	§§ 1 and 3 to Development Agreement	Item 12
l. On-Going Product/Service Purchases	§§ 10 and 12 of Franchise Agreement	Item 8
m. Maintenance, Appearance and Remodeling Requirements	§§ 3, 10 and 15 of Franchise Agreement	Item 11
n. Insurance	§ 12 of Franchise Agreement	Items 6 and 7

OBLIGATION	SECTION(S) IN AGREEMENT(S)	DISCLOSURE DOCUMENT ITEM
	§ 8 of Development Agreement	
o. Advertising	§ 5 of Franchise Agreement	Items 6 and 11
p. Indemnification	§ 22 of Franchise Agreement § 18 of Development Agreement	Item 6
q. Owner's Participation/Management/ Staffing	§§ 8, 10 and 13 of Franchise Agreement § 5, 7 and 10 of Development Agreement	Item 15
r. Records and Reports	§ 4 of Franchise Agreement	Item 6
s. Inspections/Audits	§§ 4, 5, 9, 10 and 18 of Franchise Agreement § 6 and 7 of Development Agreement	Items 6 and 11
t. Transfer	§ 15 of Franchise Agreement § 12 of Development Agreement	Item 17
u. Renewal	§ 2 of Franchise Agreement	Item 17
v. Post-Termination Obligations	§ 19 of Franchise Agreement § 16 of Development Agreement § 4 of Guaranty Agreement	Item 17
w. Non-Competition Covenants	§ 17 of Franchise Agreement § 14 of Development Agreement § 4 of Guaranty Agreement	Item 17
x. Dispute Resolution	§ 27 of Franchise Agreement § 23 of Development Agreement	Item 17
y. Personal Guaranty	§ 13 of Franchise Agreement § 10 of Development Agreement Guaranty Agreement	Item 15

ITEM 10
FINANCING

Neither we nor any agent or affiliate offers direct or indirect financing to you, guarantees any note, lease or obligation of yours, or has any practice or intent to sell, assign or discount to a third party all or any part of any financing arrangement of yours.

If you are interested in obtaining a loan guaranteed by the SBA for the development of a new Restaurant, we are listed on the SBA Franchise Registry. The SBA Franchise Registry is a listing, hosted through FRANdata, of franchise systems whose franchisees may receive faster SBA loan processing because the franchise agreement has been pre-approved by the SBA. Our approval for eligibility or inclusion in the SBA Franchise Registry does not guarantee that you will qualify for SBA financing. Please visit the Franchise Registry's website at www.franchiseregistry.com for more information.

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

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

Under the Management Agreement between us (and our wholly owned subsidiaries) and Cajun Operating, Cajun Operating will, at all times acting on our behalf, fulfill all of our duties and obligations under Franchise Agreements and Development Agreements, including: fulfilling all of our obligations to franchisees; managing the System; marketing, offering and negotiating new and renewal Franchise Agreements and Development Agreements as our franchise broker; and assisting franchisees.

Cajun Operating employs all the persons who will provide services to you on our behalf under the terms of your Franchise or Development Agreement. If Cajun Operating fails to perform its obligations under the Management Agreement protocol, then Cajun Operating may be replaced as the franchise service provider. However, as the franchisor, we will always be ultimately responsible for fulfilling all of our duties and obligations under your Franchise and Development Agreements.

Pre-Opening Obligations.

Listed below are our pre-opening obligations under the Development Agreement and Franchise Agreement.

Development Agreement:

1. We will evaluate each site you propose for a Restaurant, and we will send you, within 60 days after receipt of your complete proposal, written notice of acceptance or non-acceptance of the proposed site. [*Development Agreement, Section 5.C*]

2. We will provide you with standard plans and specifications for use only in the preparation of construction/renovation drawings for your Restaurant, as we may require. You cannot modify or deviate from the standard plans and specifications unless you have our prior written approval. You must obtain, at your own expense, additional qualified architectural and engineering services to prepare surveys, site and foundation plans, and to adapt the standard plans and specifications to applicable local or state laws, regulations or ordinances. You must bear the cost of preparing plans that deviate from and/or modify the standard plans. [*Development Agreement, Section 6.A*]

3. We will evaluate your final and complete plans for the construction/renovation and decoration of your Restaurant, and, if appropriate, we will approve these plans. [*Development Agreement, Section 6.A*]

4. For your first Restaurant opened under a Development Agreement, we will provide a representative to be present at the opening. [*Development Agreement, Section 7.A*]

Franchise Agreement:

Under the Franchise Agreement, we must provide certain assistance and services to you. Although the Franchise Agreement does not specify when we must perform these services, we intend to perform the following services before the opening of the Restaurant. Except as provided below, we are not required to provide you with any assistance.

1. We will make available our New Franchisee Orientation Program for you, and our Manager-in-Training Program for you and up to four designated management employees; see "The Orientation Program" below for more information. [*Franchise Agreement, Section 8.A and 8.B*]

2. We will provide our Pathways to Excellence Training Program materials for you to train your employees in connection with the opening of the Restaurant.

3. We may provide consultation and advice to you, in our sole discretion, with regard to the development and operation of the Restaurant, building layout, furnishings, fixtures and equipment plans and specifications, employee recruiting, selection and training, purchasing and inventory control, and such other matters as we deem appropriate. [*Franchise Agreement, Section 9.A*]

Continuing Obligations.

Listed below are our obligations under the Franchise Agreement during the on-going operation of the Restaurant. Unless listed below, we need not provide any assistance to you.

1. We will make available to you additional training programs as we, in our discretion, choose to conduct. [*Franchise Agreement, Section 8.C*]

2. As we deem appropriate, we will advise and consult with you in connection with the operation of the Restaurant. As we deem appropriate, we will provide to you our knowledge and expertise regarding the System and pertinent new developments, techniques and improvements in the areas of restaurant design, management, food and beverage preparation, sales promotion, service concepts and other areas. We may provide these services through visits by our representatives, the distribution of printed or filmed material or electronic information, meetings or seminars, telephone communications, electronic mail communications or other communications. [*Franchise Agreement, Section 9.B*]

3. We will make available to you continuing advisory assistance in the operation of the Restaurant, in person or by electronic or written bulletins, as we deem appropriate. [*Franchise Agreement, Section 9.B*]

4. We (or our designated affiliate) will maintain and administer an Advertising Fund, and in some areas, an Ad Co-Op (as defined in this Item), to increase the public's awareness of the Restaurants and the System. [*Franchise Agreement, Section 5*]

5. We will lend you one copy of the Manual. The Manual contains the standards, specifications, operating procedures and techniques of the System. We may supplement or amend the Manual from time to time by letter, electronic mail, updates to our www.TeamChurchs.com website, bulletin, digital video disk, compact disk, USB flash drive, software or other communications. [*Franchise Agreement, Section 6; Development Agreement, Section 9*] You must abide by all revisions to the Manual.

6. We will lend you one copy of our Pathways to Excellence Training Program materials that are to be used in training restaurant employees. The Pathways to Excellence Training Program materials are part of the Manual. [*Franchise Agreement, Section 8.D*]

7. We will establish uniform criteria for approving suppliers and will make reasonable efforts to share our standards and specifications with your prospective suppliers upon your written request. We may choose not to make available to prospective suppliers the standards and specifications for any food formula or equipment design that we deem to be confidential. [*Franchise Agreement, Section 10.C*]

8. We will inspect the Restaurant and its operations to assist your operations and ensure compliance with the System, at such times as we may determine. [*Franchise Agreement, Section 9.C*]

9. We will provide you with agreements from the Delivery and Catering Companies and provide training and operational support. [*Franchise Agreement, Section 10.M*]

10. We will provide you access to the Order Ahead Program and provide training and operational support. [*Franchise Agreement, Section 10.N*]

Site Selection and Length of Time before Opening.

The Development Agreement grants you a specific Development Area in which to establish and operate Restaurants under the System at specific locations to be designated in separate Franchise Agreements. You select the site of your Restaurant subject to our acceptance of the site. You must submit for our approval a Site Acceptance Request, in the form that we require, for the proposed site of each Restaurant you develop. We will evaluate each proposed site, and within 60 days after receipt of your complete proposal, we will send you written notice of our acceptance or non-acceptance of the site. We consider the following factors, among others, in evaluating the proposed site: demographic characteristics (such as the number of households in the neighborhood, average income and family size); traffic patterns; proximity to existing restaurants, including existing Church's Restaurants, and the size, asset type, and condition of the proposed premises. Our acceptance of a proposed site will be good for 90 days, during which time you must provide us with satisfactory evidence (such as a deed or signed lease) that you have the right to occupy the site. Our acceptance of a site is not a representation or promise by us that a Restaurant at that site will achieve a certain sales volume or level of profitability. Similarly, our acceptance of one or more sites and our non-acceptance of other sites is not a representation or promise by us that a site we accept will have a higher sales volume or be more profitable than a site we do not accept. Our acceptance only indicates our willingness to be represented by you at that site.

The typical length of time between the signing of a Development Agreement and the opening of the first Restaurant is between 3 and 12 months. The length of this period depends on many factors, such as your ability to buy or lease a site and obtain adequate financing, the local requirements you must meet to obtain permits and zoning approval, whether you use stick-built or modular construction, the amount of time required to train your intended management personnel, and other factors that affect construction in your area, such as weather. Other factors may affect the length of this period, such as your ability to obtain insurance and to get your approval of the final and complete plans and specifications for the construction/renovation and decoration of the Restaurant.

If we cannot reach agreement on a site, you will be unable to sign a Franchise Agreement and operate a Restaurant, and you will be in default under the Development Schedule of your Development Agreement.

The Orientation Program

You must complete, to our satisfaction, the New Franchisee Orientation Program ("NFOP") before opening your first Restaurant. NFOP consists of two days of workshops and seminars conducted at a facility we designate (currently at our corporate offices in Atlanta, Georgia). We currently offer NFOP on an as-needed basis. We do not charge a fee for NFOP. You are, however, responsible for all expenses which you or your representatives incur while attending NFOP, such as the cost of travel, accommodations, meals, and employee wages and benefits.

Before opening your first Restaurant, your Operating Principal and up to four designated management employees (we decide the exact number, which must be at least two for your first Restaurant, and at least two for each additional Restaurant) must attend and complete, to our satisfaction, our initial Pathway to Excellence Advanced Operations and Leadership Training Program (the "Training Program"). We offer the Training Program on an as-needed basis. This training provides certification for Assistant Restaurant and Restaurant General Managers. If your management employees complete the Training Program to our satisfaction, we will issue certificates of completion to these trainees who will become "Certified Managers." You must maintain at least two Certified Managers in the employ of each Restaurant throughout the term of the Franchise Agreement; we may require that you maintain more than two Certified Managers. You must enroll a qualified replacement in the Training Program for any Certified Manager who ceases active employment at your Restaurant within 30 days after the former employee's last day of employment. The replacement employee must join the next scheduled Training Program, at your expense, at a Certified Training Restaurant ("CTR"). If the CTR is operated by another franchisee, you may be instructed to pay the training fee directly to the other franchisee. The current fee for the Training Program for each employee, after the first two employees, is $1,250.

We also may periodically make available to you and your employees additional training programs that we, in our discretion, choose to conduct. Attendance at these additional, training programs may be mandatory. Although we do not currently charge a fee for additional, mandatory training programs and related materials, we reserve the right to charge fees in the future to cover the cost of presenting such additional, mandatory training programs and producing the related materials. You will be responsible for all expenses that you and your management employees incur in connection with training, such as cost of travel, accommodations, meals, and employee wages and benefits. Optional training programs (instruction and required materials) may be offered to Franchisees for a fee.

We designed our Training Program to educate you and your managers in all phases of the quick-service restaurant industry as related to the operation of the Restaurant. The Training Program will be conducted at a CTR and will last five weeks. However, if you have prior quick-service restaurant operations experience, the length of the Training Program may be reduced to three weeks since the subjects can be taught more quickly. Before attending the Training Program you are required to successfully satisfy all the requirements of our Pathway to Excellence Team Training Program which is focused on the line level tasks performed in a Restaurant, including, but not limited to, product preparation procedures and recipes, customer service, food safety, and facility cleanliness and maintenance. The Pathway to Excellence Advanced Operations and Leadership Training Program builds upon this knowledge base and addresses management responsibilities related to these tasks such as scheduling, cash management, inventory control, ordering, sales generation and profitability.

All Training and Development Department personnel have extensive experience in operations with us and other food service companies. Our training staff has the responsibility of developing and delivering training programs and training support materials. We employ the following individuals on our training staff:

Senior Manager, National Field Training. Ms. Qaddumi has been involved with our training program since 2016. She has more than 20 years of experience in restaurant operations training. Ms. Qaddumi is also a certified ServSafe® instructor and exam proctor.

National Field Trainer: Denise Morales. Ms. Morales has been involved with our training program since 2019. She has more than 21 years of experience in restaurant operations training and is also a certified ServSafe® instructor and exam proctor.

Training Detail.

The subjects covered during the Training Program are as follows:

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION*
Orientation	3	8-10	Certified Training Restaurant

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	LOCATION*
Reading Assignments and Exams	10-14	3-6	Certified Training Restaurant
Cleaning and Sanitation, Fryer Excellence	N/A	6-8	Certified Training Restaurant
Food Preparation	N/A	10-14	Certified Training Restaurant
Guest Service/ Drive-Thru/ POS	N/A	10-14	Certified Training Restaurant
Expediting	N/A	4-6	Certified Training Restaurant
Management (including safety, security, management systems and forms, established standard guidelines, shift management, open-to-close duties, inventory, preventative maintenance, labor scheduling, operations review)	N/A	75-96	Certified Training Restaurant
Totals	**13-17**	**116-154**	

*You will attend the Training Program at a CTR near the location of your Restaurant. A list of the cities that contain CTRs as of April 1, 2022, is attached as Exhibit P.

We use the Pathways to Excellence Training Program materials including job aids, pocket guides, videos, the Manual, a Proctor & Gamble Manual and other training aids as instructional materials for the Training Program. All training occurs at a Church's Restaurant which has been approved by us a CTR.

If you open and operate more than five Franchised Restaurants, we may require you to establish additional Franchised Restaurants as CTRs in order to support training in future development.

Manual.

For the duration of the Development Agreement and Franchise Agreement, we will provide you one copy of the Manual per Restaurant or make the Manual available to you electronically electronic mail, the Internet, Operations 360 Tablet, or other electronic format. The Manual contains detailed standards, specifications, instructions, requirements, methods and procedures for development, management and operation of the Restaurant. The Manual may also include requirements related to the selection, purchase, storage, preparation, packaging, ingredients, recipes, service and sale of all products and beverages sold at the Restaurant; management and employee training; marketing, advertising and sales promotions; maintenance and repair of the Restaurant building, grounds, equipment, graphics, signs, interior and exterior décor items, fixtures and furnishings; employee dress attire and appearance standards; menu concept and graphics; and accounting, bookkeeping, records retention and other business systems, procedures and operations. The Manual is confidential, and it is and shall at all times remain our property. We may revise the contents of the Manual from time to time by electronic mail, bulletin, software, Operations 360 Tablet, or other communications. You must abide by all revisions of the Manual. Any revisions to the Manual, however, will not alter your status and rights under your Franchise Agreement and/or your Development Agreement. You can find the Table of Contents to the Operations Manual in Exhibit J to this Franchise Disclosure Document. As of the date of this Franchise Disclosure Document, the Manual is comprised of the New Store Opening Guide and the Operations Manual, and together they comprise 417 pages.

Point-of-Sale and Computer Systems.

We require you to have a POS System that includes a back-office system purchased from, and installed by, our approved vendors. Your computer system must permit high-speed internet communication between us and your POS System and back office system at your Restaurant. We have the right to retrieve any data and information from your computer and POS System as we deem appropriate, including access to real-time data via SaaS, electronically polling the daily sales, menu mix and other data of your Restaurant. The cost to purchase or subscribe to a POS System and Back Office system software and hardware will range between $6800 and $7500 annually based on the type and amount of POS software and equipment you purchase.

We may revise our specifications for the POS System from time to time. Consequently, we may require you to upgrade, update, or replace your POS System. There is no contractual limitation on the frequency and cost of this obligation. The annual cost of upgrades or required maintenance and support for hardware, software, helpdesk, and menu maintenance are typically between $4,500 and $5,500, based on software and equipment purchased and the level of support desired. Our approved vendor, Qu POS, Inc. is required to provide software support for the POS System for 5 years from your installation date. Other than the software support for the POS System, we do not have any obligation to provide ongoing maintenance or upgrades of your POS system or computer system, nor does any affiliate of ours or a third party.

Sales Reporting.

You must report sales and other information to us. Currently, you must enter your Restaurant information every week into the Church's Sales Information (CSI) web portal. The information includes sales, transactions, and any pertinent business information such as employee turnover or test product information into this system. To use CSI, you must access the Internet. There is no fee or expense to you to use CSI.

Website.

You may not operate an Internet website for your Restaurant without our prior written consent. Our consent to your creating, operating and/or maintaining such a website is subject to such requirements as we may reasonably establish from time to time.

Delivery and Catering Tablet.

Additionally, if you participate in a Delivery and Catering Program, you may need to lease a tablet from the Delivery and Catering Company. We estimate those costs to be $25 to $200 per month, depending upon whether the tablet is cellular or Wi-Fi.

Advertising and Promotion.

Advertising Program:

Advertising and standardization of advertising and promotion is important to the goodwill and public image of the System. Our advertising program is conducted through a national fund ("Ad Fund") which is described below. We control the Ad Fund and administer it to support each designated market area ("DMA"). Under the Franchise Agreement, we are obligated to use the Ad Fund for advertising, marketing, and public relations programs and related activities, and we cannot use the Ad Fund for our general operating expenses. Under the Franchise Agreement, we are allowed to create Advertising Cooperatives ("Ad Co-ops") and require your participation in them.

1. We may use the Ad Fund for national, regional, and/or local media coverage.

2. We select the media and locale for media placement. Currently, we use television (where practical), radio, digital, social media, direct mail, outdoor media and restaurant point-of-purchase advertising.

3. We currently use several marketing agencies to produce our advertising materials, purchase media and manage promotions. We may change this at any time. We may require you to use the marketing agency or agencies that we select.

4. We are not obligated to spend any amount on advertising in the designated market area ("DMA") or territory of any individual franchisee. It is our practice (although we are not required to do so) to allocate all Ad Fund contributions to our national system fund (which produces commercials, point-of-purchase materials, and certain other advertising, and also funds overhead, promotions, public relations, digital, mobile, social media, research, agency fees and miscellaneous expenses).

Use of Your Own Advertising Material:

All local advertising by you is subject to our approval and must be in such media and of such type and format as we may approve; be conducted in a dignified manner; and conform to such standards and requirements as we may specify. All advertising, marketing and promotional plans and materials must meet our standards, and you must obtain our prior written approval before using any local advertising, marketing or promotional plans or materials. To obtain our approval, you must submit samples of the proposed advertising copy, marketing or promotional plans to us unless we previously prepared or approved the materials. If you do not obtain our written approval within 15 days after we receive the proposed samples or materials, it means that we disapproved the samples or materials. All press releases must be approved by us. We do not approve or disapprove the sales prices of products in proposed advertising, marketing or promotional plans.

Franchisee Marketing Committee:

We have an informal marketing Excellence Advisory Council ("Marketing EAC") composed of franchisees self-nominated and appointed by the CEO and including at least one member of the Church's Independent Franchise Association ("CIFA"). We consult with the Marketing EAC concerning the implementation of our marketing and advertising policies and programs. The Marketing EAC operates in an advisory capacity only. We are not required to consult with the Marketing EAC.

The Ad Fund:

All franchisees must contribute to our Ad Fund. You must contribute to the Ad Fund each week 5% of your Restaurant's Gross Sales. However, we may require you to contribute a minimum of $25,000 per year to the Ad Fund. If we create an Ad Co-op and require your participation, you will still be required to contribute at least 5% of your Restaurant's weekly Gross Sales to the Ad Fund, with the exact amount determined by a vote of the Ad Co-Op. All franchisees contribute to the Ad Fund on the same basis (except that some older Franchise Agreements may provide for different contribution rates and certain franchisees in captive locations (*e.g.*, food courts) may have a negotiated lower Ad Fund contribution rate).

Restaurants that we and our affiliates own contribute to the Ad Fund on the same basis as you, except where our restaurants contribute a greater percentage of Gross Sales than you.

We administer the Ad Fund and have the right to direct all spending by the Ad Fund.

It is not our practice to audit the Ad Fund on an annual basis. We do prepare an annual statement of monies collected and costs incurred by the Ad Fund and can provide it to you upon written request.

In fiscal year 2021, 15% of the Ad Fund was spent on production; 58% was spent on media placement; 7% was spent on point-of-purchase items; 2% was spent on research and development; 2% was spent on public relations and promotions, 9% was spent on digital technology and 7% was spent on administration and miscellaneous items.

The Ad Fund currently uses all contributions made to it, and any earnings on those contributions exclusively to pay the costs of maintaining, administering, directing and preparing market research, advertising and/or promotional activities. We maintain all sums paid to the Ad Fund in an account separate from our other funds. We maintain separate bookkeeping accounts for the Ad Fund. We do not use the Ad Fund to defray our expenses except as permitted under the Franchise Agreement, and except for expenses we incur in administering the Ad Fund and in running advertising and marketing programs for the System. We may charge the Ad Fund for our reasonable costs for market research, production and distribution of advertising materials.

We anticipate that all contributions to, and earnings of, the Ad Fund will be spent during the year in which such contributions and earnings are received. If, however, there are excess amounts in the Ad Fund at the end of the year, the amounts are carried over to the following year.

We do not use the Ad Fund to solicit the sale of franchises, except for some incidental uses such as promoting franchise sales on our www.churchs.com website.

<u>Advertising Cooperatives</u>:

We have the right to form, change, dissolve or merge Ad Co-Ops. An Ad Co-Op may also be established if the owners of 80% of the Restaurants (franchised and owned by us) within the same DMA vote to do so and obtain our approval.

In conducting regional advertising, it is normal and customary to engage the services of a marketing agency to plan and place media, as well as perform other tasks. We reserve the right to require or approve the marketing agencies you use. We also reserve the right to set standards that marketing agencies are required to meet and to withdraw our approval of an agency that does not meet those standards.

ITEM 12
TERRITORY

Development Agreement.

Under our standard Development Agreement, you have a specific Development Area in which to develop one or more Restaurants. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

We may offer an amendment to the Development Agreement that provides limited territorial exclusivity ("Exclusive Development Agreement"), as negotiated between us based upon your capabilities and our market development objectives.

The Development Agreement grants you the right and obligation to develop an agreed-upon number of restaurants in your Development Area according to an agreed-upon Development Schedule. The Development Agreement does not grant you any options, rights of first refusal, or similar rights to acquire additional franchises inside or outside your Development Area. The size of the Development Area will vary considerably and is subject to our mutual agreement before the Development Agreement is signed. Factors that may affect the size of a Development Area include your wishes, the expansion capacity of the area contemplated, the competition in the area and your prior experience and financial capacity.

If you sign an Exclusive Development Agreement, you will be granted a geographic area within which we will not open a Restaurant, nor license anyone other than you to open a Restaurant, subject to the other terms of the Agreement. The exclusive development area does not include airports, train stations, bus stations, travel plazas, stadiums, arenas, convention centers, military facilities, schools, colleges, universities, hospitals, recreational theme parks, business or industrial foodservice venues, food courts, enclosed shopping malls and retail centers, venues in which foodservice is or may be provided by a master concessionaire or contract foodservice provider, Indian reservations, casinos or any similar captive market location, even though such locations may be located within the Development Area.

Territorial exclusivity under the Exclusive Development Agreement does not depend upon the achievement of a certain sales volume, market penetration or any other contingency; however, you must comply with the terms of the Exclusive Development Agreement, including the obligation to open and keep open an agreed-upon number of Restaurants in accordance with the Development Schedule.

If you fail to comply with the development schedule in your Development Agreement, we may terminate your Development Agreement. We will not refund your Development Fee if you fail to comply with the development schedule. We may, in our discretion, take action short of termination, including termination of some but not all of your development options, or, if you have an Exclusive Development Agreement, termination of your limited territorial exclusivity.

Franchise Agreement.

When you sign a Franchise Agreement, you will be granted a geographic area (the "Protected Area") within which we will not open, nor license anyone other than you to open a Church's Restaurant during the term of the Franchise Agreement. The Protected Area will be specified in Schedule 1 to your Franchise Agreement. It will typically (but not necessarily) consist of an area equal to the lesser of: (1) a two mile radius from the Restaurant; or (2) an area surrounding the Restaurant, encompassing a population (residential and/or daytime commercial) of fifty thousand people. The Protected Area excludes: (A) existing Restaurants that are under construction or open for business and/or Restaurants for which a Franchise Agreement has been executed; and (B) alternative venue locations, including transportation facilities (including airports, train stations, bus stations, travel plazas, etc.), stadiums, arenas, convention centers, military facilities, schools, colleges, universities, hospitals, recreational theme parks, business or industrial foodservice venues, food courts, enclosed shopping malls and retail centers, venues in which foodservice is or may be provided by a master concessionaire or contract foodservice provider, Indian reservations, casinos or any similar captive market location. We use demographic data compiled by a third party as the source of our population determinations.

At any time during the term of your Franchise Agreement, we may reduce or modify the Protected Area to encompass a geographic area immediately surrounding the Restaurant that has a population (residential, daytime business, or commercial, or any combination) of no less than 50,000 people. The reduction or modification will become effective upon your receipt of written notice from us.

You may only operate the Restaurant from the location we have approved, and you may not relocate the Restaurant without our prior written consent, which we are not obligated to grant. In reviewing a relocation request, we will evaluate your proposed site in the same manner as we evaluate new sites for development of Church's Restaurants (See Item 11). If you request our approval and relocate your Restaurant within six months of a Restaurant closure, we will not charge you a fee for evaluating and approving your relocation request. If you do not open the Restaurant within this six-month period, we can charge you for all reasonable expenses that we incur in connection with consideration of the relocation request, and we may condition our approval upon the payment of an agreed minimum royalty to Church's during the period in which the Restaurant is not in operation. You will not be restricted from soliciting or accepting orders from customers that may be located elsewhere. Similarly, other Restaurants will not be restricted from soliciting or accepting orders from customers located in the vicinity of your Restaurant.

You will not be granted the right under the Franchise Agreement to acquire additional franchises.

With the exception of the Protected Area, you will not receive an exclusive territory under the Franchise Agreement, and we may establish other franchised or company-owned Restaurants outside of the Protected Area that may compete with your location. We reserve the right to use channels of distribution other than restaurants identified as "Church's Chicken" restaurants in your Protected Area. We may also grant such rights to third parties. In addition, we reserve the right, and may grant to third parties the right, to sell Church's Chicken products in the Protected Area in restaurants primarily identified by another trademark and in temporary facilities in conjunction with any cultural, sporting, recreational, or other events. We also have the right to make wholesale sales of products identified by the Church's Chicken trademark within your Protected Area.

Except for the use of *Texas Chicken* internationally, we have not established, nor do we presently intend to establish, other franchises or company-owned outlets selling or leasing similar products or services under a different trade name or trademark; however, we retain the right to do so.

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Except as described above, we and our affiliates may establish other franchised or company owned outlets under the Proprietary Marks and/or under other marks that may compete with your Restaurant and merchandise and distribute to any location (including within the Development Area or Protected Area) goods and services identified by the Proprietary Marks through other methods or channels of distribution (including the Internet). We do not compensate you for any orders that we solicit or accept from within the Development Area or Protected Area.

ITEM 13
TRADEMARKS

We will grant you the right under the Franchise Agreement to operate the Restaurant under the System and the Proprietary Marks. You must use the Proprietary Marks only at the Restaurant and only in the way we specify in the Franchise Agreement, Manuals or otherwise in writing. If you use the Proprietary Marks in any other way, you may be in violation of the Franchise Agreement and you may also be infringing on our trademarks and service marks.

The Development Agreement does not grant any license to use the Proprietary Marks or System.

The Proprietary Marks are owned by our wholly-owned subsidiary Cajun Funding. Under a License Agreement with Cajun Funding, we have the right to use and license others to use the Proprietary Marks for a 99 year term. In addition to other registered trademarks, Cajun Funding has registered the following principal trademarks with the United States Patent and Trademark Office on the Principal Register, and all required affidavits of continued use have been filed and accepted:

Mark	Registration Number	Date of Registration
CHURCH'S CHICKEN SINCE 1952, and Design	2,721,849 (Class 29, 30 and 42)	6/3/2003
CHURCH'S CHICKEN	6,007,067 (Class 29) 6,002,461 (Class 43)	3/10/20 3/3/20
	6,252,036 (Class 29) 6,252,037 (Class 43)	January 19, 2021 January 19, 2021
CHURCH'S TEXAS CHICKEN	6,092,301 (Class 29) 6,092,302 (Class 43)	June 30, 2020 June 30, 2020

The "Church's Chicken since 1952" design mark was renewed on December 14, 2012. The "Church's Chicken" word mark originally registered on October 21, 2008 was cancelled on May 24, 2019 but refiled on August 13, 2019 and now is registered as shown above.

There are no currently effective determinations of the U.S. Patent and Trademark Office, Trademark Trial and Appeal Board, trademark administrator of any state, or any court, nor any pending infringement, opposition, or cancellation proceeding, nor any pending material litigation involving the Proprietary Marks that is relevant to their use by you.

There are no agreements currently in effect that significantly limit our right to use or license the use of the Proprietary Marks in any manner material to the franchise. There are no infringing uses or superior prior rights actually known to us that can materially affect your use of the Proprietary Marks.

You must promptly notify us of any suspected infringement of, or challenge to, our Proprietary Marks. We will control any administrative proceeding or litigation involving our Proprietary Marks and will decide whether to pursue any suspected infringer. If we defend or commence litigation relating to the Proprietary Marks, you must sign any documents and do what our counsel believes is necessary to carry out the defense or prosecution. Unless the litigation arises as a result of your use of the Proprietary Marks in a manner inconsistent with the Franchise Agreement, we will reimburse you for your out-of-pocket costs in doing these things (except that you will still bear the salary costs of your employees). Otherwise, we are not obligated by the Franchise Agreement, or otherwise, to defend the rights granted to you to use the Proprietary Marks or to defend you against claims of infringement or unfair competition. Nevertheless, it is ordinarily in our best interest to do so.

If we find it necessary to modify or discontinue the use of a particular trademark or service mark as a result of litigation, or otherwise substitute different Proprietary Marks for use in identifying the System and the Restaurants operating under the System, you must immediately use the new marks in place of the old marks upon receipt of our notice to do so.

Your right to use the Proprietary Marks applies only to their use in connection with the operation of the Restaurant at the location designated in the Franchise Agreement, and includes only the Proprietary Marks we designate (or may later designate) in the Manual or otherwise in writing as part of the System, and does not include any other mark, name or indicia of origin of ours now in existence or that we may later adopt or acquire.

We have the right to use the federally registered mark "Church's Chicken" and the registered mark "Church's Texas Chicken" for restaurant services, fried chicken and other related products; the building configurations; and the other Proprietary Marks of the System. You may not represent in any way that you own our Proprietary Marks or have the right to use our Proprietary Marks, except as permitted in the Franchise Agreement. Your use of the Proprietary Marks will not give you any right, title or interest in or to our Proprietary Marks. Your use of the Proprietary Marks will inure to our benefit.

Use of the Proprietary Marks outside the scope of the Franchise Agreement, without our prior written consent, is an infringement of our exclusive right to use the Proprietary Marks. During the term of the Franchise Agreement you may not infringe, contest, help others contest or take any other action to disparage the Proprietary Marks. The same rules apply after the Franchise Agreement terminates or expires.

Your right and license to use the Proprietary Marks is non-exclusive. We have the following rights under the Franchise Agreement:

1. We may grant other licenses for the Proprietary Marks in addition to those licenses already granted to existing franchisees;

2. We may develop and establish other franchise systems for the same, similar or different products or services utilizing Proprietary Marks not now or later designated as part of the System, and to grant licenses to them, without providing you any right in them; and

3. We may develop and establish other systems for the sale, at wholesale or retail, of similar or different products utilizing the same or similar Proprietary Marks, without providing you with any right in them.

All goodwill associated with the System and identified by the Proprietary Marks will inure directly and exclusively to the benefit of Cajun and our affiliates, and such goodwill is the property of Cajun and our affiliates. Upon the expiration or termination of the Franchise Agreement, no monetary amount will be assigned as attributable to any goodwill associated with any of your activities, the operation of the Restaurant, or your use of the Proprietary Marks.

You may not use any of the Proprietary Marks as part of your corporate or other business name. Without our prior written consent, you also may not use the Proprietary Marks to perform any activity or incur any obligation or debt in any way that might make us liable for your actions, debts, or obligations.

All of the details of the System are important to you, us and other franchisees in order to develop and maintain high and uniform standards of quality and service, and to protect the reputation and goodwill of the Restaurants. You must operate your Restaurant and advertise, at your expense, only under the name "Church's", "Church's Chicken" or "Church's Texas Chicken" without prefix or suffix. You must adopt and use the Proprietary Marks only in the way we permit you to do. You must observe all reasonable requirements concerning trademark registration notices that we may periodically specify in the Manual or otherwise in writing.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

As described in Item 1, in connection with the financing transaction, in February 2011, Cajun Operating contributed its 100% ownership interest in Cajun Funding, the holder of the intellectual property assets, to us. Under a License Agreement with Cajun Funding, we have the right to use and license others to use the intellectual property rights relating to the Church's Chicken brand.

Patents and Copyrights.

There are no patents, patent applications, or registered copyrights that are material to the franchise system.

Confidential and Proprietary Information.

We will provide you with certain confidential and proprietary information while you are a franchisee, such as food formulas and recipes, food preparation methods, equipment standards, equipment layouts, product standards, operating procedures, training tools and programs, management programs and architectural standards for our Restaurants.

You may not, during or after the term of either the Franchise Agreement or the Development Agreement, disclose to any unauthorized person or entity any confidential information, knowledge or know-how concerning the System. You may disclose confidential information only to those of your employees who need access to it in order to operate your Restaurant. Any information, knowledge or know-how (including, for example, drawings, materials, equipment, recipes, prepared mixtures or blends of spices or other food products and other data) that we designate as confidential will be deemed confidential for purposes of the Franchise and Development Agreements.

You must have a system in place to ensure your employees keep confidential our trade secrets and confidential and proprietary information, and, if requested by us, you must obtain from those employees we designate an executed Confidentiality and Non-Disclosure Agreement in the form prescribed by us.

Trade Secrets.

The Trade Secret Products used in preparing our unique fried chicken, biscuits, and other menu items are made in accordance with our trade secrets. The Trade Secret Products are supplied by our designated suppliers. See Item 8.

Manual.

In order to protect the reputation and goodwill of the System and to maintain uniform standards of operation under the Proprietary Marks, you must operate the Restaurant in accordance with our Manual. For the duration of the Franchise Agreement, we will lend you a copy of the Manual or make the Manual available to you electronically via the internet or other electronic format.

You must, at all times, treat the Manual and the information contained in such Manual as confidential. You must use all reasonable efforts to ensure that your employees maintain the Manual as secret and confidential. You may not, at any time, without our prior written consent, copy, duplicate, record or otherwise make the Manual available to any unauthorized person(s) or source(s).

We claim copyright protection in the Manual, which is our sole property.

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

You must designate and retain an individual to serve as the "Operating Principal." Unless waived in writing by us, the Operating Principal must:

(1) have at least a 10% equity ownership interest in the franchise entity;

(2) have full control over the day-to-day activities, including operations, of the Restaurant and other restaurants (franchised by us or our affiliates) operated by you in the same geographic area as the Restaurant;

(3) devote full-time and best efforts to supervising the operation of the Restaurant and those other restaurants (franchised by us or our affiliates) operated by you in the same geographic area as the Restaurant, and not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility;

(4) maintain his or her primary residence within a reasonable driving distance of at least one Restaurant;

(5) complete the NFOP and the MIT Program and any additional training required by us; and

(6) be approved by us.

You must designate a group of individuals and/or entities to serve as your "Continuity Group". The Continuity Group will at all times own at least 51% of the voting securities in you (or if you are a partnership, the Continuity Group will at all times have at least a 51% interest in the operating profits and losses and at least a 51% ownership interest in you). All members of the Continuity Group must jointly and severally guarantee your payment and performance under the Franchise Agreement and the Development Agreement and must sign a written guaranty agreement ("Guaranty"). Unless you are a publicly-held entity, all holders of a legal or beneficial interest in you of 5% or more of your equity ("5% Owners") also must sign a Guaranty agreeing to jointly and severally guarantee your payment and performance under the Franchise Agreement and the Development Agreement. Our standard Guaranty forms for the Franchise Agreement and the Development Agreement are attached as exhibits to the Franchise Agreement and Development Agreement. The Guaranty contains confidentiality and non-competition covenants that mirror the requirements in the Franchise Agreement and Development Agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may offer for sale at the Restaurant only products and menu items that meet our standards and have been approved in writing by us for sale. See Item 8 for details. You also must offer for sale all menu items that we specify in the Manual or otherwise in writing. You must refrain from selling any products and menu items that we have not approved or for which we have withdrawn approval. We may, at any time and in our sole discretion, disapprove the sale of certain items, and you must stop selling those items upon written notice from us to do so.

You may offer products and menu items for sale at whatever price you want. You are not bound by any sales price which we recommend or suggest.

Except as described above, we do not impose any restrictions in the Development Agreement, Franchise Agreement, or otherwise, limiting the goods or services which you may offer for sale or limiting the customers to whom you may sell. However, you may only sell products and menu items from the Restaurant and nowhere else without our prior written approval.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

These tables list certain important provisions of the Development Agreement and Franchise Agreement. You should read these provisions in the agreements attached to this disclosure document.

DEVELOPMENT AGREEMENT

Provision	Section in Development Agreement	Summary
a. Length of the Development Term	§1	Until the last date of the Development Schedule.
b. Renewal or Extension of Term	Not applicable	Not applicable
c. Requirements for You to Renew or Extend	Not applicable	Not applicable
d. Termination by You	Not applicable	Not applicable
e. Termination by Us Without Cause	Not applicable	Not applicable
f. Termination by Us with Cause	§15	We can terminate only if you default under the agreement and for other specified grounds.
g. "Cause" Defined - Curable Defaults	§15	You will have 30 days after notice to cure certain defaults susceptible of cure, but only 10 days to cure non-payment defaults.

Provision	Section in Development Agreement	Summary
h. "Cause" Defined - Non-Curable Defaults	§15	Non-curable defaults include: failure to meet the development schedule; failure to obtain our approval of site/construction plans, provide a lease or sublease or procure insurance coverage prior to beginning construction; a material breach of covenants or certain representations and warranties; an unapproved transfer; a material misrepresentation or omission of material fact or falsification of report; conviction of or pleading no contest to certain crimes or offenses; violation of law, ordinance or regulation relating to terrorist activities; second breach within 12 months of notice of first breach; failure to comply with franchise agreements or other agreements with us; and general financial incapacity (*e.g.*, insolvency, receivership, bankruptcy [which may not be enforceable]).
i. Your Obligations on Termination	§15	You may not establish or operate any more Restaurants on termination; you must return the Manual and other materials; you must continue to abide by confidentiality, non-compete and other covenants, pay all sums due, and furnish evidence of compliance within 30 days of termination; you must not do business under any name that gives impression of a connection to us.
j. Assignment of Contract by Us	§11	There is no restriction on our right to transfer.
k. "Transfer" by You - defined	§12	"Transfer" by you includes the sale, assignment, transfers, conveyance, or gift of an interest in the developer entity, the Development Agreement, or other assets of the developer entity pertaining to the Development Agreement.
l. Our Approval of Transfer by You	§12	No transfers are permitted, except for transfer of minority percentages if Continuity Group remains same, transfer on death to certain family members or members of Continuity Group, or transfer for convenience of ownership from individual(s) to entity owned by same individual(s). No grant of a security interest in your assets without our approval.
m. Conditions of Our Approval of Transfer	Not applicable	Not applicable
n. Our Right of First Refusal to Acquire Your Business	Not applicable	Not applicable
o. Our Option to Purchase Your Business	Not applicable	Not applicable
p. Your Death or Disability	§12	You may transfer the Development Agreement upon your death or permanent incapacity, provided that the Transfer is to your parent, sibling, spouse or children or to a member of the Continuity Group. You must complete such Transfer within a reasonable time, not to exceed six months.

Provision	Section in Development Agreement	Summary
q. Non-Competition Covenants During the Term of the Development Agreement	§14	In-term, non-competition covenants include a ban on diverting any customer or potential customer; owning any restaurant business that specializes in selling fried chicken (which restriction does not apply to your existing Church's Restaurants, if any, or to other restaurants operated by you that are franchised by us or our affiliates); and employing our employees or employees of other Church's franchisees. With respect to individual owners, the same covenant is contained in § 4 of the Guaranty Agreement.
r. Non-Competition Covenants After the Development Agreement is Terminated or Expires	§14	Post-term, non-competition covenants include a 2-year ban on owning any restaurant business that specializes in selling fried chicken within the Development Area or within a 5-mile radius of any Church's Restaurant that is then in existence (which restriction does not apply to your existing Church's Restaurants, if any, or to other restaurants operated by you that are franchised by us or our affiliates) and a 1-year ban on employing certain individuals. With respect to individual owners, the same covenant is contained in § 4 of the Guaranty Agreement.
s. Modification of the Agreement	§9, 21	All amendments must be mutually agreed upon and in writing; however, we can modify the Manual.
t. Integration/Merger Clause	§21	Only the terms of the Development Agreement are binding (subject to state law). Any representations or promises outside of this Franchise Disclosure Document and the Development Agreement may not be enforceable.
u. Dispute Resolution by Arbitration or Mediation	Not Applicable	Not Applicable
v. Choice of Forum	§23	Subject to state law, if you sue us, you must do so where our principal office is located (currently, Atlanta, Georgia). If we sue you, we may do so there as well.
w. Choice of Law	§23	Subject to state law, Georgia law applies.

FRANCHISE AGREEMENT

Provision	Section in Franchise Agreement	Summary
a. Length of the Franchise Term	§2	20 years from the date of commencement of operation of the Restaurant.
b. Renewal or Extension of Term	§2	One renewal term of 10 years, subject to contractual requirements.
c. Requirements for You to Renew or Extend	§2	Requirements include: notice; satisfaction of monetary obligations and compliance with Franchise Agreement and agreement with certain third parties relating to the Franchised Restaurant; execution of new Franchise Agreement which may contain terms and conditions materially different from your current Franchise Agreement, including higher royalty fees and advertising contributions; right to remain in possession of Franchised Location for renewal term; execution of general release of all claims against us; refurbishment and modernization of Restaurant; payment of renewal fee; compliance with all operational requirements for all Restaurants, including compliance with training requirements.
d. Termination by You	Not applicable	Not applicable
e. Termination by Us Without Cause	Not applicable	Not applicable
f. Termination by Us With Cause	§18	We can terminate only if you default under the Franchise Agreement and for other specified grounds.
g. "Cause" Defined - Curable Defaults)	§18	You will have 30 days after notice to cure certain defaults susceptible of cure, but only 10 days to cure non-payment defaults.
h. "Cause" Defined - Non-Curable Defaults)	§18	Non-curable defaults include: general financial incapacity (*e.g.,* insolvency, receivership, bankruptcy [which may not be enforceable]); failure to begin construction or renovation on scheduled date; failure to open; failure to stay open; loss of possession of Franchised Location; violation of law or ordinance relating to terrorist activities; failure to meet training requirements; material misrepresentation or omission of material fact; material breach of representations and warranties; understatement of Gross Sales by more than 5% on one occasion or by 2% or more 3 times in 18 months; criminal convictions; threats to health and safety; causing serious harm or death to a person; failure to meet transfer requirements; failure to comply with covenants against competition; release of confidential information; making false reports to us; default under certain other agreements; repetition of earlier defaults; and knowingly serving food products or ingredients obtained from an unapproved supplier.

Provision	Section in Franchise Agreement	Summary
i. Your Obligations on Termination/Non-Renewal	§19	Obligations include: complete and permanent de-identification, including discontinuing use of Proprietary Marks and altering Franchised Location to distinguish from former appearance; return of manuals, records and files; payment of amounts due; compliance with confidentiality, non-compete and other post-term covenants; providing evidence of compliance within 30 days of termination; not doing business under any name that gives impression of connection to us or making use of any materials disclosed by us. If we terminate the Franchise Agreement based upon your default, you must pay us a lump sum equal to your average weekly royalty fees and advertising contributions during the 52-week period preceding termination multiplied by the lesser of 208 or the number of weeks remaining in the franchise term.
j. Assignment of Contract by Us	§14	There is no restriction on our right to transfer. You must sign a release of claims against us if we transfer.
k. “Transfer” by You - Defined	§15	“Transfer” by you includes the sale, assignment, transfer, conveyance, or gift of an interest in the franchisee entity, the Franchise Agreement, the Restaurant, assets of the Restaurant, the Franchised Location, or other assets of pertaining to the Franchise Agreement.
l. Our Approval of Transfer by You	§15	No transfers by you are permitted without our prior written approval, except for transfer of minority percentages if Continuity Group remains same, transfer on death to certain family members or members of Continuity Group, or transfer for convenience of ownership from individual(s) to entity owned by same individual(s). No grant of a security interest in your assets without our approval.
m. Conditions for Our Approval of Transfer by You	§15	Conditions include: payment of money owed; execution of a release and guaranty continuing for one-year after transfer; a qualified transferee; reasonable sale price; execution of a written assignment of franchise agreement or new franchise agreement; execution of guaranty by certain individual owners of transferee; remodeling of the Restaurant; performance of all deferred repair and maintenance; training of the transferee’s personnel; providing financial information about you or the Franchised Restaurant to us at our request; development of additional restaurants by transferee; no material defaults under any agreement with us or affiliates or agreements with certain third parties relating to the Franchised Restaurants and payment of transfer fee.
n. Our Right of First Refusal to Acquire Your Business	§15	We may match any offer of a transfer that would require our approval.
o. Our Option to Purchase Your Business	§20	This option applies only to certain items and only upon expiration or termination of the Franchise Agreement.

Provision	Section in Franchise Agreement	Summary
p. Your Death or Disability	§15	You may transfer the Franchise Agreement upon your death or permanent incapacity, provided that the Transfer is to your parent, sibling, spouse or children or to a member of the Continuity Group. You must complete such Transfer within a reasonable time, not to exceed six months.
q. Non-Competition Covenants During the Term of the Franchise	§17	In-term, non-competition covenants include a ban on diverting any customer or potential customer; owning any restaurant business that specializes in selling fried chicken (which restriction does not apply to your existing Church's Restaurants, if any, or to other restaurants operated by you that are franchised by us or our affiliates); and employing our employees or employees of other Church's franchisees. With respect to individual owners, the same covenant is contained in § 4 of the Guaranty Agreement.
r. Non-Competition Covenants After the Franchise is Terminated or Expires	§17	Post-term, non-competition covenants include a 2-year ban on owning any restaurant business that specializes in selling fried chicken within a 5-mile radius of your Restaurant location or any Church's Restaurant then in existence (which restriction does not apply to your existing Church's Restaurants, if any, or to other restaurants operated by you that are franchised by us or our affiliates) and a 1-year ban on employing certain individuals. With respect to individual owners, the same covenant is contained in § 4 of the Guaranty Agreement.
s. Modification of Agreement	§25	All amendments must be mutually agreed upon and in writing; however, we can modify the Manual.
t. Integration/Merger Clause	§25	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of this Franchise Disclosure Document and the Franchise Agreement may not be enforceable.
u. Dispute Resolution by Arbitration or Mediation	Not Applicable	Not Applicable
v. Choice of Forum	§27	Subject to state law, if you sue us, you must do so where our principal office is located (currently, Atlanta, Georgia). If we sue you, we may do so there as well.
w. Choice of Law	§27	Subject to state law, Georgia law applies.

ITEM 18
PUBLIC FIGURES

We do not use any public figures 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 that 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.

A. Tabular Information

Table 1: 2021 Sales of Newly Built Franchised Blaze Image Restaurants

Below are average weekly sales for the two newly built Franchised Restaurants located in Texas with the Blaze Image that opened in 2021. We require the Blaze Image for all newly built franchised restaurants; we no longer permit franchised restaurants to open using any other images. We have not excluded any Franchised Restaurants that operate under the Blaze Image. We compiled the Franchised Blaze Image Restaurant sales data shown below from the information submitted to us by our franchisees for purposes of royalty reporting. We believe the information submitted by our franchisees is accurate, but we have not audited or otherwise verified that information.

Open Date	Weeks Open	Average Weekly AUV
1/19/2021	62	$30,902
4/19/2021	49	$31,500

Table 2: 2021 Average Income Statement For Free-Standing Company and Franchised Restaurants

Below is a system-wide average income statement for fiscal year 2021 of domestic Company and Franchised Restaurants. The data excludes 30 domestic Company Restaurants that were open and operating for less than 48 weeks or were severely impacted due to staffing issues and 19 domestic Company Restaurants which are not free-standing restaurants with a drive thru. For the Franchised Restaurants, we excluded Restaurants that did not provide P&L information. The data includes the following: (1) operating cost information based on Cajun Operating's unaudited income statement for fiscal year 2021; and (2) unaudited profit and loss statements submitted to us quarterly by franchisees during our fiscal year 2021, as required by Section 4.B of the Franchise Agreement. We have not audited or verified the data submitted by our Franchisees and therefore cannot attest to its accuracy.

	Franchise	High	Median	Low	Company	High	Median	Low	System
Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Food cost	30.2%	30.0%	30.1%	31.2%	30.1%	29.4%	30.4%	30.6%	30.16%
Labor - Total	28.0%	27.6%	28.0%	28.8%	26.2%	23.5%	26.9%	29.8%	26.79%
Gross Profit Margin	**41.8%**	**42.4%**	**42.0%**	**39.9%**	**43.6%**	**47.1%**	**42.7%**	**39.6%**	**43.05%**
Controllables	9.4%	7.9%	9.7%	11.8%	13.4%	11.3%	14.0%	15.8%	12.17%
Marketing	4.8%	4.5%	5.0%	4.9%	5.4%	5.4%	5.4%	5.3%	5.18%
Royalty	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	3.72%

	Franchise	High	Median	Low	Company	High	Median	Low	System
Controllable Profit Margin	**22.5%**	**25.0%**	**22.3%**	**18.2%**	**19.9%**	**25.4%**	**18.4%**	**13.4%**	**21.98%**
Non-controllables	7.3%	6.2%	7.8%	8.2%	11.0%	9.5%	11.7%	12.1%	9.89%
Restaurant Operating Profit, pre-tax (EBITDA)	**15.2%**	**18.8%**	**14.4%**	**10.1%**	**8.8%**	**15.9%**	**6.6%**	**1.3%**	**12.09%**
% of Restaurants to total		**25.0%**	**50.0%**	**25.0%**		**25.0%**	**50.9%**	**24.1%**	
Number of Restaurants	**44**	**11**	**22**	**11**	**112**	**28**	**57**	**27**	**156**

Factors that may influence whether you achieve the same level of performance in Table 1 and Table 2 include economic or market conditions that are basic to your operation of the Franchised Restaurant, cost of goods sold, and operating expenses both of which are predicted to increase due to inflation and the COVID-19 pandemic.

Notes To Table 2: Average Income Statements

A. "*Sales*" include Gross Sales during the fiscal year as noted.

B. "*Gross Sales*" includes, as stated in Section 3.D of the Franchise Agreement, all revenue from the sale of all services and products and all other income of every kind and nature (including stored value gift cards and gift certificates when redeemed but not when purchased) related to the Franchised Restaurant, whether such sales are evidenced by cash, check, credit, charge, account, barter or exchange. Gross Sales shall include, without limitation, monies or credit received from the sale of food and merchandise, from tangible property of every kind and nature, promotional or otherwise, and for services performed from or at the Franchised Restaurant, including, but not limited to, off-premises services such as catering and delivery, regardless of the method of collection (including cash registers, vending machines, or otherwise). Gross Sales shall not include (1) the sale of food or merchandise for which refunds have been made in good faith to customers, (2) the sale of used equipment not in the ordinary course of business, or (3) taxes imposed by a governmental authority directly on sales and collected from customers, provided that the amount for such tax is added to or absorbed in the selling price and is actually paid by a Franchisee to such governmental authority.

C. "*Food cost*" includes the delivered cost of food, beverages, paper and promotional items (i.e., limited-time offerings) to the Restaurants. Delivered costs include distribution and freight costs. The calculation of food costs is primarily a function of the mix of products sold and the cost of commodities that comprise the products.

D. "*Labor - Total*" includes unit hourly labor, which is comprised of the average hourly rate and the number of hours worked (a direct correlation to sales volume). The cost of labor will vary from location to location and will be dependent upon factors beyond our control, including, without limitation, local minimum wage laws and local labor market conditions. Labor costs also include the salaries of general and assistant managers. Most company Restaurants employ one salaried general manager and one salaried assistant manager. The other components of labor expense are: payroll taxes, health insurance, vacation, wages, sick pay, bonuses and workers' compensation insurance. Also, with respect to labor costs, because a certain number of employees will be necessary to open and operate a Restaurant irrespective of its Gross Sales, units that have lower than average Gross Sales probably will experience higher than average labor costs. Franchisees, however, often do not use a standard chart of accounts to prepare financial reports that are submitted to us and labor may be booked under different categories in the franchisees' reports.

E. "*Controllables*" refers to miscellaneous restaurant-level costs which are affected by or decided by management, such as the cost of maintenance and repair. "*Non-controllables*" refers to miscellaneous restaurant-level costs where the owner has no decision-making ability regarding the expenditure, such as the cost of local operating permits. Non-controllables in this table also includes rent.

F. "*Marketing*" is a fee of 5% of Gross Sales as defined in the Franchise Agreement. See Item 6 and Item 11 for more information regarding Marketing. The percentage of income from company Restaurants spent on marketing may be higher or lower than 5.0%.

G. "*Royalty*" is 5% of Gross Sales as defined in the Franchise Agreement. See Item 6 for more information regarding the Royalty. Company Restaurants do not pay a royalty fee, but 5.0% is included for comparison purposes.

H. "*EBITDA*" is earnings before Interest, Taxes, Depreciation, Amortization.

I. Certain corporate overhead and other expenses are not incurred at the restaurant level and thus are not included in this table.

J. Franchisees will incur other costs in connection with the operation of Church's Restaurants including, without limitation, occupancy costs (such as rent or mortgage payments), utilities, office expenses, legal and accounting expenses, insurance expenses, and various other general administrative expenses. Expenses in the operation of Restaurants will vary from franchisee to franchisee and from location to location, and are dependent upon seasonal, local and other factors beyond our control, such as the franchisee's efficiency in the utilization of products, the costs of transportation and the fluctuation in market prices for food and other products. Additionally, labor and costs of good sold are expected to rise in the future.

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

B. General Statements

Written substantiation for the financial performance representation will be made available to prospective franchisees 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 Restaurant, however, we may provide you with the actual records of that Restaurant. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Craig Prusher, our Chief Legal Officer, at 980 Hammond Drive, Suite 1100, Atlanta, GA 30328, or 770-350-3800, the Federal Trade Commission and the appropriate state regulatory agencies.

Your individual financial results are likely to differ from results described in this Item 19. You should conduct an independent investigation of the costs and expenses you will incur in operating your Restaurant.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

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

Outlet Type	Year	Outlets at Start of the Year	Outlets at End of the Year	Net Change
Franchised	2019	920	885	-35
	2020	885	854	-31
	2021	854	849	-5
Company Owned	2019	165	165	0
	2020	165	160	-5
	2021	160	161	+1
Total Outlets	2019	1085	1,050	-35
	2020	1050	1014	-36
	2021	1014	1010	-4

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

State	Year	Number of Transfers
Alabama	2019	13
	2020	4
	2021	2
Arizona	2019	1
	2020	0
	2021	0
Arkansas	2019	0
	2020	7
	2021	0
California	2019	42
	2020	0
	2021	3
Florida	2019	5
	2020	0
	2021	0
Georgia	2019	9
	2020	3
	2021	1
Illinois	2019	0
	2020	1
	2021	0
Louisiana	2019	7
	2020	0
	2021	2
Mississippi	2019	0
	2020	12
	2021	1
New Mexico	2019	3
	2020	0
	2021	
North Carolina	2019	0
	2020	8
	2021	9
Oklahoma	2019	13
	2020	14
	2021	0
Pennsylvania	2019	0
	2020	1
	2021	0
Texas	2019	6
	2020	1
	2021	27
Virginia	2019	0
	2020	3
	2021	2
Total	2019	51
	2020	37
	2021	48

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

State	Year	Outlets At Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Cajun	Outlets Sold to Franchisee	Ceased Operations – Other Reason	Outlets at End of the Year
Alabama	2019	37	0	6	0	0	0	0	31
	2020	31	0	5	0	0	0	0	26
	2021	26	1	0	0	0	0	0	27
Arizona	2019	44	0	1	0	0	0	0	43
	2020	43	0	2	0	0	0	0	41
	2021	41	1	0	0	0	0	1	41
Arkansas	2019	13	0	3	0	0	0	0	10
	2020	10	0	0	0	0	0	0	10
	2021	10	1	0	0	0	0	1	10
California	2019	62	0	3	0	0	0	0	59
	2020	59	0	5	0	0	0	0	54
	2021	54	3	0	0	0	0	4	52
Colorado	2019	8	0	0	0	0	0	0	8
	2020	8	0	0	0	0	0	0	8
	2021	8	0	0	0	0	0	0	8
Florida	2019	20	2	3	0	0	0	0	19
	2020	19	0	0	0	0	0	0	19
	2021	19	2	0	0	0	0	0	19
Georgia	2019	46	0	1	0	0	0	0	45
	2020	45	0	0	0	0	0	0	45
	2021	45	0	0	0	0	0	0	45
Hawaii	2019	1	0	0	0	0	0	0	1
	2020	1	0	1	0	0	0	0	0
	2021	0	0	0	0	0	0	0	0
Illinois	2019	15	0	0	0	0	0	0	15
	2020	15	0	0	0	0	0	0	15
	2021	15	0	0	0	0	0	0	15
Indiana	2019	12	0	0	0	0	0	0	12
	2020	12	0	2	0	0	0	0	10
	2021	10	0	0	0	0	0	0	10

State	Year	Outlets At Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Cajun	Outlets Sold to Franchisee	Ceased Operations – Other Reason	Outlets at End of the Year
Kansas	2019	8	0	0	0	0	0	0	8
	2020	8	1	0	0	0	0	0	9
	2021	9	1	0	0	0	0	0	10
Louisiana	2019	24	0	3	0	0	0	0	21
	2020	21	0	5	0	0	0	0	16
	2021	16	0	0	0	0	0	2	14
Michigan	2019	16	0	1	0	0	0	0	15
	2020	15	0	1	0	0	0	0	14
	2021	14	0	0	0	0	0	0	14
Mississippi	2019	22	0	1	0	0	0	0	21
	2020	21	0	2	0	1	0	0	18
	2021	18	0	0	0	0	0	0	18
Missouri	2019	17	0	0	0	0	0	0	17
	2020	17	0	0	0	0	0	0	17
	2021	17	0	0	0	0	0	0	17
Nevada	2019	7	0	0	0	0	0	0	7
	2020	7	0	0	0	0	0	0	7
	2021	7	0	0	0	0	0	0	7
New Jersey	2019	1	0	0	0	0	0	0	1
	2020	1	0	0	0	0	0	0	1
	2021	1	0	0	0	0	0	0	1
New Mexico	2019	23	0	0	0	0	0	0	23
	2020	23	0	0	0	0	0	0	23
	2021	23	1	0	0	0	0	2	22
New York	2019	0	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0	0
North Carolina	2019	13	1	0	0	0	0	0	14
	2020	14	0	0	0	0	0	0	14
	2021	14	0	0	0	0	0	1	13
Ohio	2019	13	0	3	0	0	0	0	10
	2020	10	0	0	0	0	0	0	10
	2021	10	0	0	0	0	0	0	10
Oklahoma	2019	24	0	2	0	0	0	0	22
	2020	22	0	1	0	0	0	0	21
	2021	21	0	0	0	0	0	0	21

State	Year	Outlets At Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Cajun	Outlets Sold to Franchisee	Ceased Operations – Other Reason	Outlets at End of the Year
Pennsylvania	2019	2	0	1	0	0	0	0	1
	2020	1	0	0	0	0	0	0	1
	2021	1	0	0	0	0	0	0	1
Puerto Rico	2019	110	2	1	0	0	0	0	111
	2020	111	2	0	0	0	0	0	113
	2021	113	0	0	0	0	0	0	113
South Carolina	2019	2	0	0	0	0	0	0	2
	2020	2	1	0	0	0	0	0	3
	2021	3	0	0	0	0	0	0	3
Tennessee	2019	3	0	1	0	0	0	0	2
	2020	2	0	0	0	0	0	0	2
	2021	2	0	0	0	0	0	1	1
Texas	2019	368	3	14	0	0	0	0	357
	2020	357	5	14	0	0	0	0	348
	2021	348	7	0	0	0	0	9	346
Virginia	2019	4	0	0	0	0	0	0	4
	2020	4	0	0	0	0	0	0	4
	2021	4	0	0	0	0	0	0	4
Washington	2019	3	0	0	0	0	0	0	3
	2020	3	0	0	0	0	0	0	3
	2021	3	0	0	0	0	0	0	3
Washington D.C.	2019	1	0	0	0	0	0	0	1
	2020	1	1	0	0	0	0	0	2
	2021	2	0	0	0	0	0	0	2
Wisconsin	2019	1	0	0	0	0	0	0	1
	2020	1	0	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1	0
Wyoming	2019	0	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1	0
Total	2019	920	9	44	0	0	0	0	885
	2020	885	8	38	0	1	0	0	854
	2021	854	17	0	0	0	0	23	849

Note A: The 2018 total for California mistakenly included a closed restaurant and the 2019 total for California was corrected to reflect that closure.

Exhibit I includes a list of our franchisees as of December 26, 2021, and a list of the names, cities, states and telephone numbers of franchisees who had a Franchise Agreement terminated, cancelled, not renewed, otherwise voluntarily or involuntarily ceased doing business, left the System during our last fiscal year, or have not communicated with Cajun Operating or us within 10 weeks before the date of this Franchise Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

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

State	Year	Outlets At Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Alabama	2019	19	0	0	0	0	19
	2020	19	0	0	1	0	18
	2021	18	0	0	0	0	18
Arkansas	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Florida	2019	13	0	0	0	0	13
	2020	13	0	0	1	0	12
	2021	12	0	0	0	0	12
Georgia	2019	8	0	0	0	0	8
	2020	8	0	0	0	0	8
	2021	8	0	0	0	0	8
Illinois	2019	4	0	0	0	0	4
	2020	4	0	0	1	0	3
	2021	3	0	0	0	0	3
Louisiana	2019	27	0	0	0	0	27
	2020	27	0	0	3	0	24
	2021	24	0	1	0	0	25
Mississippi	2019	7	0	0	0	0	7
	2020	7	0	1	0	0	8
	2021	8	0	0	0	0	8
Missouri	2019	12	0	0	0	0	12
	2020	12	0	0	0	0	12
	2021	12	0	0	0	0	12

State	Year	Outlets At Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
South Carolina	2019	13	0	0	0	0	13
	2020	13	0	0	0	0	13
	2021	13	0	0	0	0	13
Tennessee	2019	18	0	0	0	0	18
	2020	18	0	0	0	0	18
	2021	18	0	0	0	0	18
Texas	2019	43	0	0	0	0	43
	2020	43	0	0	0	0	43
	2021	43	0	0	0	0	43
Total	2019	165	0	0	0	0	165
	2020	165	0	1	6	0	160
	2021	160	0	1	0	0	161

Table No. 5
Projected Openings as of December 31, 2021

During the one-year period following December 31, 2021, we estimate that we will open Restaurants to be located in the following states:

State	Franchise Agreements Signed but Outlets Not Yet Opened	Franchise Projected 2022 New Openings	Company Projected New Openings
AR	0	1	0
AZ	0	2	0
FL	0	1	0
GA	0	1	0
KS	0	1	0
LA	1	0	0
MI	0	1	0
NE	0	1	0
OK	0	2	0
SC	0	1	0
TX	1	6	0
WA	0	1	0
TOTAL	**2**	**18**	**0**

During our last three fiscal years, neither we nor Cajun Operating have signed any confidentiality clauses with current or former franchisees which would restrict their ability to speak openly with you about their experience with us.

Franchisee Association. The following independent franchisee association has requested that we include their contact information in this Franchise Disclosure Document: Church's Independent Franchisee Association, Tony Lutfi, President, 2368 Maritime Drive, Suite 100, Elk Grove, CA 95758.

ITEM 21
FINANCIAL STATEMENTS

Attached to this Franchise Disclosure Document as Exhibit K are our audited financial statements as of December 26, 2021, December 27, 2020 and December 29, 2019, and for the period from September 15, 2021 to December 26, 2021 (Successor), the period from December 28, 2020 to September 14, 2021 (Predecessor), the year ended December 27, 2020 and the year ended December 29, 2019.

ITEM 22
CONTRACTS

Copies of the contracts offered by us are attached to this FDD in the following order:

1. Exhibit C: Franchise Agreement;

2. Exhibit D: Amendment to Franchise Agreement for Convenience Stores and Travel Plazas;

3. Exhibit E: Amendment to Franchise Agreement for Co-Branded Restaurants

4. Exhibit F: Renewal Addendum

4. Exhibit G: Development Agreement (Non-Exclusive);

5. Exhibit H: Amendment to Development Agreement (Exclusive);

6. Exhibit Q: Sublease;

7. Exhibit R: Delivery and Catering Company Contracts; and

8. Exhibit S: Platinum Incentive Program Addendum to Development Agreement and Platinum Incentive Program Addendum to Franchise Agreement

9. Exhibit T: Participation Memorandum

When you sign your Development Agreement and your Franchise Agreement you will also complete our Compliance Questionnaire, which is attached as Exhibit L.

ITEM 23
RECEIPT

Two copies of an Acknowledgment of your receipt of this Franchise Disclosure Document appear as Exhibit U. Please return one copy to us (*i.e.,* the one marked "Cajun's Copy") and retain the other one (*i.e.*, the one marked "Franchisee's Copy") for your records.

EXHIBIT A

LIST OF STATE ADMINISTRATORS

LIST OF STATE ADMINISTRATORS

We intend to register this disclosure document as a "franchise" in some or all of the following states, if required by the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

CALIFORNIA Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free: (866) 275-2677	**NEW YORK** New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, New York 10005 (212) 416-8222
HAWAII Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Securities Department State Capitol Department 414 600 East Boulevard Avenue, Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
ILLINOIS Illinois Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Division of Insurance Securities Regulation 124 South Euclid Avenue, 2nd Floor Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	**VIRGINIA** State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051
MICHIGAN Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 335-7567	**WASHINGTON** Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760
MINNESOTA Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	**WISCONSIN** Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

EXHIBIT B

LIST OF AGENTS FOR SERVICE OF PROCESS

AGENTS FOR SERVICE OF PROCESS

Corporation Service Company 2711 Centerville Road Wilmington, DE 19808	Corporation Service Company 2704 Commerce Drive Harrisburg, PA 17110
Corporation Service Company 1090 Vermont Avenue N.W. Washington, DC 20005	Corporation Service Company 222 Jefferson Boulevard, Suite 200 Warwick, RI 02888 Corporation Service Company 1703 Laurel Street Columbia, SC 29201
Corporation Service Company 1201 Hays Street Tallahassee, FL 32301 Corporation Service Company 40 Technology Parkway South, #300 Norcross, GA 30092	Corporation Service Company 503 South Pierre Street Pierre, SD 57501
CSC Services of Hawaii, Inc. 1003 Bishop Street, Suite 1600 Pauahi Tower Honolulu, HI 96813	Corporation Service Company 2908 Poston Avenue Nashville, TN 37203
Corporation Service Company 12550 W. Explorer Drive, Suite 100 Boise, ID 83713	Corporation Service Company d/b/a CSC-Lawyers Incorporating Service Company 211 E. 7th Street, Suite 620 Austin, TX 78701
Illinois Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703	Corporation Service Company 2180 South 1300 East, Suite 650 Salt Lake City, UT 84106

Corporation Service Company 251 East Ohio Street, Suite 500 Indianapolis, IN 46204	Corporation Service Company 104 N. Main Street PO Box 607 Barre, VT 05641
Corporation Service Company 505 5th Avenue, Suite 729 Des Moines, IA 50309	Corporation Service Company Bank of America Center, 16th Floor 1111 East Main Street Richmond, VA 23219
Corporation Service Company 2900 SW Wanamaker Drive, Suite 204 Topeka, KS 66614	Corporation Service Company 300 Deschutes Way SW, Suite 304 Tumwater, WA 98501
Corporation Service Company 421 West Main Street Frankfort, KY 40601	Corporation Service Company 209 West Washington Street Charleston, WV 25302
Corporation Service Company 501 Louisiana Avenue Baton Rouge, LA 70802	Corporation Service Company 8040 Excelsior Drive, Suite 400 Madison, WI 53717
Corporation Service Company 45 Memorial Circle Augusta, ME 04330 CSC-Lawyers Incorporating Service Company 7 St. Paul Street, Suite 1660 Baltimore, MD 21202	Corporation Service Company 1821 Logan Avenue Cheyenne, WY 82001
Corporation Service Company 84 State Street Boston, MA 02109	The Prentice-Hall Corporation System, Puerto Rico, Inc. c/o FGR Corporate Services, Inc. Oriental Center, Suite P1 254 Munoz Rivera Avenue San Juan, Puerto Rico 00918

CSC-Lawyers Incorporating Service (Company) 601 Abbot Road East Lansing, MI 48823	The Prentice Hall Corporation System, Inc. Citibank Building, Suite 208 Veterans Drive, (7 & 8 Curacao Gade) St. Thomas, USVI 00802
Corporation Service Company 380 Jackson Street, Suite 700 St. Paul, MN 55101	
Corporation Service Company 506 South President Street Jackson, MS 39201	
CSC-Lawyers Incorporating Service Company 221 Bolivar Street Jefferson City, MO 65101	
Corporation Service Company 26 West Sixth Avenue P.O. Box 1691 Helena, MT 59624	
CSC-Lawyers Incorporating Service Company 233 South 13th Street, Suite 1900 Lincoln, NE 68508	
CSC Services of Nevada, Inc. 2215-B Renaissance Drive Las Vegas, NV 89119	
Corporation Service Company d/b/a Lawyers Incorporating Service 14 Centre Street Concord, NH 03301 Corporation Service Company 830 Bear Tavern Road West Trenton, NJ 08628	

AGENTS FOR SERVICE OF PROCESS

CALIFORNIA Commissioner of Business Oversight Department of Business Oversight 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free: (866) 275-2677	**NEW YORK** Attention: New York Secretary of State New York Department of State One Commerce Plaza 99 Washington Avenue, Sixth Floor Albany, New York 12231-0001 (518) 473-2492
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Securities Commissioner 600 East Boulevard Avenue, State Capitol Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Director of Department of Business Regulation Department of Business Regulation Securities Division Bldg. 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Department of Labor and Regulation Director of the Division of Securities 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-4823
MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	**VIRGINIA** Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
MICHIGAN Michigan Attorney General's Office Consumer Protection Div., Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 373-7117	**WASHINGTON** Director of Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, S.W. Tumwater, Washington 98501 (360) 902-8760
MINNESOTA Commissioner of Commerce 85 7th Place East, Suite 500 St. Paul, Minnesota 55101 (651) 539-1500	**WISCONSIN** Commissioner of Securities 201 W. Washington Ave., Suite 300, Madison, WI 53703 (608) 261-9555

CSC – Corporation Service Company / Agent for Representation for Service of Process

CSC-Lawyers Incorporating Service Incorporated 150 South Perry Street Montgomery, AL 36104	Corporation Service Company 125 Lincoln Avenue, Suite 223 Santa Fe, NM 87501
Corporation Service Company 9360 Glacier Highway, Suite 202 Juneau, AK 99801	Corporation Service Company 80 State Street Albany, NY 12207
Corporation Service Company 2338 W. Royal Palm Road, Suite J Phoenix, AZ 85021	Corporation Service Company 327 Hillsborough Street Raleigh, NC 27603
Corporation Service Company 300 Spring Building, Suite 900 300 S. Spring Street Little Rock, AR 72201	Corporation Service Company 316 North Fifth Street P.O. Box 1695 Bismarck, ND 58502
Corporation Service Company Which Will Do Business As CSC-Lawyers Incorporating Service 2710 Gateway Oaks Drive, Suite 150N Sacramento, CA 95833	CSC-Lawyers Incorporating Service 3366 Riverside Drive Upper Arlington, OH 43221
Corporation Service Company 1560 Broadway, Suite 2090 Denver, CO 80202	Corporation Service Company 115 S.W. 89th Street Oklahoma City, OK 73139
Corporation Service Company 50 Weston Street Hartford, CT 06120	Corporation Service Company 285 Liberty Street NE Salem, OR 97301

Corporation Service Company 2711 Centerville Road Wilmington, DE 19808	Corporation Service Company 2704 Commerce Drive Harrisburg, PA 17110
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EXHIBIT C

FRANCHISE AGREEMENT

CHURCH'S CHICKEN
FRANCHISE AGREEMENT

Between

CAJUN GLOBAL LLC

and

____

Restaurant No.: ______________________

Development Agreement No.: ______________

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CHURCH'S CHICKEN FRANCHISE AGREEMENT

THIS AGREEMENT ("Agreement") is made as of the ______ day of ____________, 20__ by and between **CAJUN GLOBAL LLC**, d/b/a Church's Chicken, a Delaware limited liability company ("Church's"), and ________________________ a ________________ formed under the laws of _____________________ ("Franchisee").

RECITALS:

1. As a result of the expenditure of time, skill, effort and money, Church's has developed and owns a unique and distinctive system ("System") relating to the development, establishment and operation of quick service restaurants featuring fried chicken and other menu items and commercial products ("Church's Restaurants").

2. The distinguishing characteristics of the System include, without limitation: specially designed buildings; distinctive interior and exterior layouts, décor, color schemes, and furnishings; confidential food formulas and recipes and, particularly, a unique seasoning and batter formula for preparing Church's fried chicken; specialized menus; and standards and specifications for equipment, equipment layouts, products, operating procedures, employee training, and management programs, all of which may be changed, improved, and further developed by Church's from time to time.

3. Cajun Funding Corp. ("Cajun Funding"), an affiliate of Church's, owns the "*Church's*". "*Church's Chicken*" and "*Church's Texas Chicken*" trade names and trademarks, along with such other trade names, service marks, trademarks, logos, emblems, and other indicia of origin, as are now, or may in the future, be designated by Cajun Funding for use in connection with the System (collectively, the "Proprietary Marks"). Pursuant to a license agreement, Cajun Funding has granted to Church's the exclusive right to use and license others to use the Proprietary Marks.

4. Cajun Funding and Church's continue to develop, use, and control the use of the Proprietary Marks in order to identify for the public the source of services and products marketed under the Proprietary Marks in the System and to represent the System's high standards of quality, appearance, and service.

5. Under a management agreement ("Management Agreement") between Church's and Cajun Operating Company ("Cajun Operating"), Cajun Operating Company will, at all times acting on behalf of Church's, fulfill all of Church's duties and obligations under this Agreement. Cajun Operating employs all the persons who will provide services to Franchisee on Church's behalf under the terms of this Agreement. If Cajun Operating fails to perform its obligations under the Management Agreement, then Church's may replace Cajun Operating as the franchise service provider. However, as the franchisor, Church's will always be responsible for fulfilling all of its duties and obligations under this Agreement.

6. Franchisee and Church's are parties to a Church's Chicken Development Agreement (the "Development Agreement"), pursuant to which Franchisee has agreed to develop one or more franchised Church's Restaurants.

7. Franchisee desires to obtain a license to use the System and the Proprietary Marks and to continuously operate a franchised Church's Restaurant (the "Franchised Restaurant") at a location determined in accordance with this Agreement and specified in Schedule 1 (the "Franchised Location"), subject to the terms and conditions of this Agreement and in strict compliance with the standards and specifications established by Church's.

8. Franchisee understands and acknowledges the importance of Church's high and uniform standards of quality, operations and service and the necessity of developing and operating the Franchised Restaurant in strict conformity with this Agreement and Church's Manual (as defined in Section 6).

NOW THEREFORE, in consideration of Church's grant to Franchisee of the rights set forth in this Agreement, as well as the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. GRANT OF FRANCHISE

A. Grant

(1) Church's hereby grants to Franchisee a license (the "Franchise") to continuously operate the Franchised Restaurant at the Franchised Location and to use the Proprietary Marks solely in the operation of the Franchised Restaurant. Franchisee shall not operate the Franchised Restaurant at any site other than the Franchised Location, and shall not relocate the Franchised Restaurant without Church's prior consent, which may be withheld by Church's in its sole discretion and will be subject to the site acceptance process set forth in the Development Agreement. If Church's approves a relocation of the Franchised Restaurant, it shall have the right to charge Franchisee for all reasonable expenses actually incurred in connection with consideration of the relocation request and Church's may condition its approval upon the payment of an agreed minimum royalty to Church's during the period in which the Franchised Restaurant is not in operation.

(2) Franchisee shall at all times faithfully, honestly and diligently perform its obligations under this Agreement, continuously exert its best efforts to promote and enhance the business of the Franchised Restaurant, and not engage in any other business or activity that may conflict with its obligations under this Agreement, except the operation of other Church's Restaurants.

B. Limited Exclusivity

(1) Subject to Section 1.B.(2) and the other terms and conditions of this Agreement and provided Franchisee is in compliance with the terms of this Agreement and any other agreements with Church's or its affiliates and is current on all obligations due to Church's and its affiliates, Church's shall not, during the Initial Term or any Renewal Term of this Agreement, operate or license others to operate, a Church's Restaurant from a site located within the area specified on Schedule 1 (the "Protected Area") without Franchisee's prior consent. Notwithstanding the foregoing, Church's may, from time to time, reduce or modify the Protected Area to encompass a geographic area immediately surrounding the Franchised Restaurant that includes a population (residential, daytime business or commercial, or any combination thereof) of no less than 50,000 people, which modification will become effective upon Franchisee's receipt of written notice from Church's. Church's Restaurants located in the Protected Area **(a)** that are under construction or open for business as of the date of this Agreement or **(b)** for which a Church's Franchise Agreement has been executed are excluded from the limited exclusivity granted to Franchisee.

(2) Notwithstanding Section 1.B.(1) or any other provision to the contrary, Church's reserves the rights to: **(a)** operate and license others to operate restaurants identified in whole or in part by the names and marks "Church's" and/or "Church's Chicken" in the Protected Area that are located in airports, train stations, bus stations, travel plazas, stadiums, arenas, convention centers, military facilities, schools, colleges, universities, hospitals, recreational theme parks, business or industrial foodservice venues, food courts, enclosed shopping malls and retail centers, venues in which foodservice is or may be provided by a master concessionaire or contract foodservice provider, Indian reservations, casinos or any similar captive market location; **(b)** award national or regional licenses to third parties to sell products in the Protected Area under the names and marks "Church's" and "Church's Chicken" in foodservice facilities primarily identified by the third party's trademark; **(c)** develop and operate, and license others to develop and operate, restaurants other than restaurants identified in whole or in part by the names and marks "Church's" and "Church's Chicken" in the Protected Area; **(d)** acquire or be acquired by a restaurant chain or system that operates and/or franchises restaurants in the Protected Area that are the same as, similar to or compete with Church's Restaurants in that they have a substantially similar menu or similar theme or concept; **(e)** merchandise and distribute products identified by some or all of the Proprietary Marks in the Protected Area through any method or channel of distribution other than restaurants; **(f)** sell and distribute products identified by some or all of the Proprietary Marks in the Protected Area to restaurants other than restaurants identified in whole or in part by the names and marks "Church's" and "Church's Chicken," provided those restaurants are not licensed to use the Proprietary Marks in connection with their retail sales; **(g)** sell and license others to sell products identified by some or all of the Proprietary Marks in the Protected Area through temporary facilities in conjunction with any cultural, sporting, recreational, or other event; **(h)** operate and license others to operate restaurants identified in whole or in part by the names and marks "Church's" and "Church's Chicken" at any location outside of the Protected Area; **(i)** operate and license others to operate, after this Agreement terminates or expires, restaurants identified in whole or in part by the names and marks "Church's" and "Church's Chicken" within the Protected Area; and **(j)** operate and license others to operate at any location, during or after the Initial Term or any Renewal Term, any type of restaurant other than a restaurant identified in whole or in part by the names and marks "Church's" and "Church's Chicken." Church's reserves to itself all rights to use and license the System and the Proprietary Marks other than those expressly granted under this Agreement.

C. Forms of Agreement. Franchisee acknowledges that Church's intends to enter into agreements with other franchisees that may contain provisions, conditions and obligations that differ from those contained in this Agreement. The existence of different forms of agreement and the fact that Church's and other franchisees may have different rights and obligations does not affect the duties of the parties to this Agreement to comply with the terms of this Agreement.

2. TERM

A. Initial Term. The initial term of the Franchise granted by this Agreement (the "Initial Term") shall begin on the date that this Agreement is signed by Church's and expire at midnight on the day preceding the 20th anniversary of the date the Franchised Restaurant first opened for business as recorded by Church's, unless a different date is listed on Form A and unless this Agreement is terminated at an earlier date pursuant to Section 18. Church's shall complete and forward to Franchisee a notice, in a form substantially similar to attached Form A, to memorialize the date the Franchised Restaurant first opened for business.

B. Renewal Term

(1) At the expiration of the Initial Term, Franchisee shall have an option to remain a franchisee at the Franchised Location and renew the Franchise for one 10-year renewal term ("Renewal Term"). In order to exercise such renewal option, Franchisee must give Church's notice not less than 6 months, nor more than 12 months, prior to the expiration of the Initial Term. If Franchisee fails to timely provide such notice, Franchisee shall be deemed to have waived the renewal option for the Franchised Location.

(2) If Franchisee desires to renew the Franchise for the Renewal Term, Franchisee must comply with all of the following conditions prior to and at the end of the Initial Term:

(a) Franchisee shall not be in default under this Agreement or any other agreements between Franchisee and Church's or its affiliates and, for the 12 months prior to the date of Franchisee's notice and the 12 months prior to the expiration of the Initial Term, Franchisee shall not have been in default beyond the applicable cure period under this Agreement or any other agreements between Franchisee and Church's or its affiliates; Franchisee shall not be in default beyond the applicable cure period under any real estate lease, equipment lease or financing instrument relating to the Franchised Restaurant; and Franchisee shall not be in default beyond the applicable cure period with any vendor or supplier to the Franchised Restaurant.

(b) Franchisee shall, at its expense, make the capital expenditures required to renovate and modernize the Franchised Restaurant to conform to the interior and exterior designs, décor, color schemes, furnishings and equipment and presentation of the Proprietary Marks consistent with the image of the System for new Church's Restaurants at the time Franchisee provides Church's the renewal notice, including such structural changes, remodeling, redecoration and modifications to existing improvements as may be necessary to do so.

(c) Franchisee and its employees at the Franchised Restaurant shall be in compliance with Church's then-current training requirements, including all continuing education certificate requirements.

(d) Franchisee must have the right to remain in possession of the Franchised Location, or other premises acceptable to Church's, for the Renewal Term and all monetary obligations owed to Franchisee's landlord, if any, or mortgagor, if any, must be current.

(e) Franchisee, all individuals who executed this Agreement, and all guarantors of Franchisee's obligations shall have executed a general release and a covenant not to sue, in a form satisfactory to Church's, of any and all Claims (as defined in Section 16) against Church's and its affiliates and their respective past and present officers, directors, shareholders, agents and employees, in their corporate and individual capacities, including, without limitation, Claims arising under any law or regulation, and Claims arising out of, or relating to, this Agreement, any other agreements between Franchisee and Church's or its affiliates and Franchisee's operation of the Franchised Restaurant, other Church's Restaurants operated by Franchisee and all other restaurants operated by Franchisee that are franchised by Church's or its affiliates.

(f) As determined by Church's in its sole discretion, Franchisee has operated the Franchised Restaurant and all of its other franchised Church's Restaurants in accordance with the System (as set forth in the Manual or otherwise and as revised from time to time by Church's).

(3) Within 4 months after Church's receipt of Franchisee's notice of its desire to renew, Church's shall notify Franchisee whether or not Franchisee is entitled to renew the Franchise for the Renewal Term. If Church's intends to permit Franchisee to renew the Franchise for the Renewal Term, Church's notice will contain preliminary information regarding actions Franchisee must take to satisfy Sections 2.B.(2)(b) and (c). If Church's does not intend to renew, Church's notice shall specify the reasons for non-renewal.

(4) If Franchisee will be permitted to renew the Franchise for the Renewal Term, Church's shall forward to Franchisee a new franchise agreement or renewal agreement (as Church's may determine in accordance with its then-existing renewal policies) for the Renewal Term for Franchisee's signature at least 1 month prior to the expiration of the Initial Term. The form of franchise agreement or renewal agreement shall be the form then in general use by Church's for Church's Restaurants (or, if Church's is not then granting franchises for Church's Restaurants, that form of agreement as specified by

Church's). Franchisee acknowledges that such agreement may differ materially from this Agreement, including, but not limited to, provisions relating to the Royalty Fee and advertising obligations.

(5) Franchisee shall execute the new franchise agreement or renewal agreement for the Renewal Term, as applicable, and return the signed agreement to Church's, along with a renewal fee in the amount equal to 50% of Church's then-current initial franchise fee, prior to the expiration of the Initial Term. If Franchisee fails to do so, Church's will deem such failure an election by Franchisee not to renew the Franchise and shall result in termination of the Franchise granted by this Agreement at the expiration of the Initial Term.

3. FEES

A. Initial Franchise Fee. Simultaneously with Franchisee's execution of this Agreement, Franchisee shall pay to Church's an initial franchise fee ("Initial Franchise Fee") in the amount specified in Schedule 1. The Initial Franchise Fee shall be in addition to any development fees paid by Franchisee to Church's pursuant to a Church's Chicken Development Agreement. Franchisee acknowledges and agrees that the Initial Franchise Fee is fully earned by Church's when paid and is not refundable.

B. Royalty Fee. In addition to all other amounts to be paid by Franchisee to Church's, Franchisee shall pay to Church's a nonrefundable and continuing weekly royalty fee (the "Royalty Fee") in an amount equal to 5% of the Gross Sales (as defined below) of the Franchised Restaurant for the preceding week for the right to use the System and the Proprietary Marks at the Franchised Location. If any taxes, fees or assessments are imposed on Church's by reason of its acting as franchisor or licensing the Proprietary Marks under this Agreement, Franchisee shall reimburse Church's the amount of those taxes, fees or assessments within 30 days after receipt of an invoice from Church's.

C. Advertising Contributions.

(1) Franchisee, recognizing the value of advertising and the importance of the standardization of advertising and promotion to the goodwill and public image of the System, shall contribute to the Church's Advertising Fund ("Advertising Fund") a weekly recurring, non-refundable Advertising Fund contribution equal to 5% of the Gross Sales of the Franchised Restaurant for the preceding week. Notwithstanding the foregoing, upon giving notice to Franchisee, Church's may require Franchisee to contribute at least $25,000 per year to the Advertising Fund with respect to the Franchised Restaurant.

(2) If the Franchised Restaurant participates in a Regional Advertising Cooperative pursuant to Section 5.B., then in lieu of contributing 5% of Gross Sales to the Advertising Fund as described above, **(i)** Franchisee shall contribute to the Advertising Fund a percentage of Gross Sales determined by Church's not to exceed 1% of Gross Sales, and **(ii)** Franchisee shall contribute to the Regional Advertising Cooperative in an amount determined by the Cooperative, which when added to the Advertising Fund contribution must be at least 5% of the Gross Sales of the Franchised Restaurant. Church's Restaurants operated by Church's and its affiliates shall contribute to the Advertising Fund and the Cooperatives on the same basis as comparable franchisees.

D. Gross Sales. "Gross Sales" means all revenue from the sale of all services and products and all other income of every kind and nature (including stored value gift cards and gift certificates when redeemed but not when purchased) related to the Franchised Restaurant, whether such sales are evidenced by cash, check, credit, charge, account, barter or exchange. Gross Sales shall include, without limitation, monies or credit received from the sale of food and merchandise, from tangible property of every kind and nature, promotional or otherwise, and for services performed from or at the Franchised Restaurant, including, but not limited to, off-premises services such as catering and delivery, regardless of the method of collection (including cash registers, vending machines, or otherwise). Gross Sales shall not include **(1)** the sale of food or merchandise for which refunds have been made in good faith to customers, **(2)** the sale of used equipment not in the ordinary course of business, or **(3)** taxes imposed by a governmental authority directly on sales and collected from customers, provided that the amount for such tax is added to or absorbed in the selling price and is actually paid by Franchisee to such governmental authority.

E. Remittance Reports. Within 24 hours after the end of each fiscal week (as defined by Church's from time to time), Franchisee shall submit to Church's in writing by electronic mail, polling by computer or such other form or method as Church's may designate, the amount of Gross Sales from the Franchised Restaurant during the preceding fiscal week and such other data or information as Church's may require.

F. Payment of Fees.

(1) Within 5 business days after the end of each fiscal week (as defined by Church's from time to time), Franchisee shall pay to Church's (by electronic funds transfer or by such other form or method as Church's may designate) the Royalty Fee and advertising contributions applicable to Gross Sales for the Franchised Restaurant for the preceding fiscal week and any other amounts owed under this Agreement.

(2) Franchisee shall participate in an electronic funds transfer program established by Church's that authorizes Church's to utilize a pre-authorized bank draft system. The Royalty Fee and advertising contributions calculated on the basis of Gross Sales and other amounts owed under this Agreement must be received by Church's or credited to Church's account by pre-authorized bank debit before 5:00 p.m. on the 5th business day after the end of each fiscal week ("Due Date"). On each Due Date, Church's will transfer from the Franchised Restaurant's commercial bank operating account ("Account") the amount reported to Church's in Franchisee's remittance report or determined by Church's by the records contained in the cash registers/computer terminals of the Franchised Restaurant. If Franchisee has not reported Gross Sales to Church's for any fiscal period, Church's may transfer from the Account an amount calculated in accordance with its estimate of the Gross Sales during the fiscal period. If, at any time, Church's determines that Franchisee has underreported the Gross Sales of the Franchised Restaurant, or underpaid the Royalty Fee or other amounts due to Church's under this Agreement or any other agreement, Church's may initiate an immediate transfer from the Account in the appropriate amount in accordance with the foregoing procedure. Any overpayment will be credited to the Account effective as of the first reporting date after Church's and Franchisee determine that such credit is due.

(3) In connection with payment of the Royalty Fee, advertising contributions and other amounts owed under this Agreement by electronic funds transfer, Franchisee shall: **(a)** comply with procedures specified by Church's in the Manual or otherwise in writing; **(b)** perform those acts and sign and deliver those documents as may be necessary to accomplish payment by electronic funds transfer as described in this Section 3.F.; **(c)** give Church's an authorization in the form designated by Church's to initiate debit entries and/or credit correction entries to the Account for payments of the Royalty Fee and other amounts payable under this Agreement; and **(d)** make sufficient funds available in the Account for withdrawal by electronic funds transfer no later than the Due Date for payment thereof.

(4) Notwithstanding the provisions of this Section 3.F., Church's reserves the right to modify, by giving notice to Franchisee, the method by which Franchisee pays the Royalty Fee, advertising contributions and other amounts owed under this Agreement.

(5) Failure by Franchisee to have sufficient funds in the Account shall constitute a default of this Agreement pursuant to Section 18.B.(2). Franchisee shall not be entitled to set off, deduct or otherwise withhold any Royalty Fees, advertising contributions, or any other monies payable by Franchisee under this Agreement on grounds of any alleged non-performance by Church's or for any other reason. Notwithstanding any direction by Franchisee regarding application of funds paid by Franchisee to Church's (or to the Advertising Fund), Church's may apply any payment made by Franchisee to any outstanding obligation owed by Franchisee or any affiliate of Franchisee, in Church's sole discretion. For purposes of this Agreement, "affiliate" shall mean any entity controlled by, controlling or under common control with Franchisee.

G. Additional Payment Upon Monetary Default; Default Royalty Rate. If Franchisee fails to pay any amount to Church's when due, regardless of any notice requirement or cure period, Franchisee shall, in addition to paying such amount in full, pay to Church's a late payment fee equal to $100.00 plus 1.5% of the overdue balance per month (or portion of a month). For any period when Franchisee is in breach of any obligation hereunder, Church's, upon giving notice to Franchisee, shall raise the Royalty Fee described in Section 3.B. above by 1% of Gross Sales.

H. Partial Payments. No payment by Franchisee or acceptance by Church's of any monies under this Agreement for a lesser amount than due shall be treated as anything other than a partial payment on account. Franchisee's payment of a lesser amount than due with an endorsement, statement or accompanying letter to the effect that payment of the lesser amount constitutes full payment shall be given no effect and Church's may accept the partial payment without prejudice to any rights or remedies it may have against Franchisee. Acceptance of payments by Church's other than as set forth in this Agreement shall not constitute a waiver of Church's right to demand payment in accordance with the requirements of this Agreement or a waiver by Church's of any other remedies or rights available to it pursuant to this Agreement or under applicable law. Notwithstanding any designation by Franchisee, Church's shall have sole discretion to apply any payments by Franchisee to any of its past due indebtedness for Royalty Fees, advertising contributions, purchases from Church's or its affiliates, or any other indebtedness. Church's may accept payment from any other entity as payment by Franchisee. Acceptance of that payment by Church's will not result in that other entity being substituted for Franchisee or assuming any rights of Franchisee.

I. Collection Costs and Expenses. Franchisee agrees to pay to Church's on demand any and all costs and expenses incurred by Church's in enforcing the terms of this Agreement, including, without limitation, collecting any monies owed by Franchisee to Church's. These costs and expenses include, but are not limited to, costs and commissions due a collection agency, reasonable attorneys' fees (including attorneys' fees for in-house counsel employed by Church's or its affiliates and any attorneys' fees incurred by Church's in bankruptcy proceedings), costs incurred in creating or replicating reports demonstrating Gross Sales of the Franchised Restaurant, court costs, expert witness fees, discovery costs and reasonable attorneys' fees and costs on appeal.

4. RECORDKEEPING AND REPORTS

A. Recordkeeping. Franchisee shall use computerized cash and data capture and retrieval systems that meet Church's specifications to record sales of the Franchised Restaurant electronically or on tape for all sales at or from the Franchised Location. Franchisee shall keep and maintain, in accordance with any procedures set forth in the Manual, complete and accurate books, records and accounts pertaining to the Franchised Restaurant sufficient to fully report to Church's. These records shall include, without limitation, cash register sales tape (including non-resettable readings), meals, sales and other tax returns, duplicate deposit slips and other evidence of Gross Sales and all other business transactions. Franchisee shall keep its books and records using United States generally accepted accounting principles. Franchisee shall preserve all of its books, records and state and federal tax returns for at least 3 years after the later of preparation or filing (or such longer period as may be required by any governmental entity) and make them available and provide duplicate copies to Church's within 5 days after Church's written request.

B. Quarterly Reports. Franchisee shall, at Franchisee's expense, submit to Church's, in the form and format prescribed by Church's, a quarterly unaudited profit and loss statement and balance sheet for the Franchised Restaurant ("Quarterly Statement") within 30 days after the end of each quarter. Each Quarterly Statement shall contain a certificate signed by Franchisee's president, treasurer or chief financial officer certifying that such Quarterly Statement is true, correct and complete, uses accounting principles applied on a consistent basis, and accurately and completely reflects the financial condition of Franchisee and the results of operations of the Franchised Restaurant during the period covered. Church's may, in its sole discretion, require that Franchisee submit to Church's profit and loss statements and balance sheets at other times requested by Church's. Upon Church's request, Franchisee shall submit to Church's, with each Quarterly Statement, copies of any state or local sales tax returns filed by Franchisee for the Franchised Restaurant for the period included in the Quarterly Statement. If required by Church's in the Manual or otherwise, Franchisee shall prepare financial statements on the basis of 13 four-week periods, and Franchisee shall submit the Quarterly Statements to Church's within 30 days following the end of the 4th, 7th, 10th, and 13th periods.

C. Annual Financial Statements. Within 90 days following the end of each calendar or fiscal year, Franchisee shall, at its expense, provide to Church's an unaudited financial statement (including profit and loss statement, cash flow statement, and balance sheet) for the preceding calendar or fiscal year for the Franchised Restaurant, and such other information in such form as Church's may reasonably require ("Annual Financial Statement"), together with a certificate signed by Franchisee's president, treasurer or chief financial officer certifying that such Annual Financial Statement is true, correct and complete, uses accounting principles applied on a consistent basis, and accurately and completely reflects the financial condition of Franchisee and the results of operations of the Franchised Restaurant during the period covered. Upon request from Church's, the Annual Financial Statement shall include both a profit and loss statement and a balance sheet, and shall be prepared in accordance with United States generally accepted accounting principles. Church's may, in its reasonable discretion, require that Franchisee, at Franchisee's expense, submit audited financial statements prepared by a certified public accounting firm acceptable to Church's for any fiscal year or any period or periods of a fiscal year.

D. Other Reports and Information. Franchisee shall submit to Church's, for review or auditing, such other forms, financial statements, reports, records, operational data, metrics, copies of contracts and agreements, status reports and documents related to litigation and claims, information, and data as Church's may reasonably designate, in the form and at the times and places reasonably required by Church's, upon request and as specified from time-to-time in the Manual or otherwise in writing. If Franchisee has combined or consolidated financial information relating to its franchised Church's Restaurants with that of any other business or businesses, including a business licensed by Church's, Franchisee shall simultaneously submit to Church's, for review or auditing, the forms, reports, records and financial statements (including, but not limited to, the Quarterly Statements and Annual Financial Statements) which contain the detailed financial information relating to its franchised Church's Restaurants, separate and apart from the financial information of such other businesses. Franchisee shall authorize all of its suppliers and distributors to release to Church's, upon Church's request, any and all of their books, records, accounts or other information relating to goods, products and supplies sold to Franchisee and/or the Franchised Restaurant. Church's may engage a third party to analyze any financial statements, reports, or other data from or about Franchisee.

E. Public Filings. If Franchisee is or becomes a publicly-held entity in accordance with other provisions of this Agreement, Franchisee shall send to Church's copies of all reports (including responses to comment letters) or schedules Franchisee may file with the U.S. Securities and Exchange Commission (certified by Franchisee's chief executive officer to be true, correct, complete and accurate) and copies of any press releases it may issue, within 3 days of the filing of those reports or schedules or the issuance of those releases.

F. Audit Rights

(1) Church's or its designee shall have the right at all reasonable times, both during and after the Initial Term or any Renewal Term, to inspect, copy and audit Franchisee's books, records, and federal, state and local tax returns, and such other forms, reports, information and data as Church's reasonably may designate, applicable to the operation of the Franchised Restaurant. If an inspection or audit discloses an understatement of Gross Sales, Franchisee shall pay to Church's, within 10 days after receipt of the inspection or audit report, the deficiency in the Royalty Fees and advertising contributions, together with late payment fees applicable to late payments as specified in this Agreement. If an inspection or audit is made necessary by Franchisee's failure to furnish reports or supporting records as required under this Agreement, or to furnish such reports, records or information on a timely basis, or if an understatement of Gross Sales for the period of any audit is determined by any audit or inspection to be greater than 2%, Franchisee also shall reimburse Church's for the reasonable cost of the audit or inspection including, without limitation, the charges of attorneys and independent accountants, and the travel expenses, room, board and compensation of Church's employees or designees involved in the audit or inspection. If Church's inspection or audit reveals an understatement of Gross Sales of the Franchised Restaurant for any period by 2% or more 3 or more times during any 18-month period, or by more than 5% on any 1 occasion, then in addition to Franchisee's obligations above, Church's may immediately terminate this Agreement. The foregoing remedies shall be in addition to all other remedies and rights available to Church's under this Agreement or applicable law.

(2) If Franchisee fails to provide Church's on a timely basis with the records, reports and other information required by this Agreement, Church's or its designee shall have access at all reasonable times (and as often as necessary) to Franchisee's books and records for the purpose, among other things, of preparing the required records, reports and other information. Franchisee promptly shall reimburse Church's or its designee for all costs and expenses associated with Church's obtaining such records, reports or other information.

G. Property Information. The name and contact information for the landlord of the Franchised Location (if not owned by Franchisee) is stated on Schedule 1. Franchisee shall notify Church's of any change in property ownership, together with updated contact information, within 10 days after the effective date of the change. Franchisee shall provide Church's with a copy of the lease or deed for the Franchised Location prior to or upon execution of this Agreement.

5. ADVERTISING

A. Advertising Fund

(1) Church's or its designee shall direct all advertising, marketing, and public relations programs and activities financed by the Advertising Fund, with sole discretion over the creative concepts, materials and endorsements used in those programs and activities, and the geographic, market and media placement and allocation of advertising and marketing materials, and with sole discretion over the allocation of funds to various programs and accounts. Franchisee agrees that the Advertising Fund may be used, among other things, to pay the costs of preparing, producing and disseminating such associated materials and programs as Church's or its designee may determine, including video, audio and written advertising materials; employing advertising agencies; sponsorship of sporting, charitable or similar events; administering regional and multi-regional advertising programs, including, without limitation, purchasing direct mail and other media advertising and employing advertising agencies to assist with these efforts; and supporting public relations, market research and other advertising, promotional and marketing activities. Franchisee agrees to participate in all advertising, marketing, promotions, research and public relations programs instituted by Church's through the Advertising Fund. From time to time, Church's or its designee may furnish Franchisee with marketing, advertising and promotional materials at the cost of producing them, plus any related shipping, handling and storage charges.

(2) Church's shall separately account for payments to the Advertising Fund, but it shall not be required to segregate funds in the Advertising Fund from its other monies. Church's shall not use funds from the Advertising Fund for any of its general operating expenses. Church's and its affiliates may be reimbursed by the Advertising Fund for expenses related to its marketing programs including, without limitation, conducting market research, preparing advertising and marketing materials, and collecting and accounting for contributions. It is anticipated that Church's will spend all contributions to and earnings of the Advertising Fund for market research, advertising, marketing and/or promotional purposes during the taxable year in which contributions and earnings are received. If, however, excess amounts remain in the Advertising Fund at the end of a taxable year, all expenditures in the following taxable year(s) shall be made first out of accumulated earnings from previous years, next out of earnings in the current year, and finally from current contributions. A statement of monies collected and costs incurred by the Advertising Fund shall be prepared annually and shall be furnished to Franchisee within a reasonable period of time following a written request. Church's may incorporate or organize the Advertising Fund as a separate entity, or operate the Advertising Fund through a separate entity, and such entity shall have all rights and duties of Church's pursuant to this Section.

(3) Franchisee agrees that Church's is not liable to Franchisee, and Franchisee forever covenants not to sue and holds Church's harmless of any liability or obligation to ensure that expenditures by the Advertising Fund in or affecting any geographic area (including the Franchised Location) are proportionate or equivalent to the contributions to the Advertising Fund by Church's Restaurants operating in that geographic area, or that any Church's Restaurant will benefit directly or in proportion to its contribution to the Advertising Fund from the development of advertising and marketing materials or the placement of advertising. Except as expressly provided in this Section, neither Church's nor its designee assumes any direct or indirect liability to Franchisee with respect to the maintenance, direction or administration of the Advertising Fund.

(4) Church's reserves the right, in its sole discretion, to: **(a)** suspend contributions to and operations of the Advertising Fund for one or more periods that it determines to be appropriate; **(b)** terminate the Advertising Fund upon 30 days' notice to Franchisee and establish, if Church's so elects, a different advertising fund; and **(c)** upon the written request of any franchised or company restaurants, defer, waive or return, in whole or in part, any advertising contributions required by this Section if, in Church's sole judgment, there has been demonstrated unique, objective circumstances justifying any such deferral, waiver, or return. On termination, all monies in the Advertising Fund shall be spent for advertising and/or promotional purposes. Church's has the right to reinstate the Advertising Fund upon the same terms and conditions set forth in this Agreement upon 30 days' prior notice to Franchisee.

(5) Under no circumstances shall Franchisee have any right to the return of any payment to the Advertising Fund, unless such payment was the result of manifest error.

B. Regional Advertising Cooperatives

(1) Church's, in its sole discretion, may establish a Regional Advertising Cooperative ("Cooperative") in the regional area in which the Franchised Restaurant is located ("Designated Market Area" or "DMA"). Franchisee, in addition to contributing to the Advertising Fund, must contribute to the

Cooperative the percentage of Gross Sales determined by that Cooperative along with any statements or reports that Church's or the Cooperative may require. A Cooperative may also be established for the DMA in which the Franchised Restaurant is located upon the favorable vote of 80% of the owners of all Church's Restaurants (including Church's Restaurants operated by Church's and its affiliates) on the basis of one vote for each restaurant owned and operated by that owner within that DMA. If a Cooperative has been established for the DMA in which the Franchised Restaurant will be located, Franchisee shall become a member of that Cooperative by the date the Franchised Restaurant commences operations, or, if a Cooperative for that DMA is established after the Franchised Restaurant opens, Franchisee shall become a member of that Cooperative within 30 days after the date on which the Cooperative commences operations. Franchisee shall not be required to be a member of more than one Cooperative with respect to the Franchised Restaurant.

(2) Each Cooperative shall be organized for the exclusive purpose of administering regional advertising programs and developing, subject to Church's approval, standardized promotional materials for use by its members in local advertising. Church's may require the Cooperative to adopt bylaws or regulations prepared by Church's. Church's may require the Cooperative to incorporate or organize. Unless otherwise consented to in writing by Church's, the Cooperative shall only conduct advertising that conforms with those advertising and sales promotions specified by Church's from time to time (including the media in which conducted). All advertising shall be submitted to Church's prior to first use as provided in Section 5.C. and all advertising shall adhere to the standards set forth in Section 5.C. Church's may **(a)** set standards that regional advertising agencies hired by the Cooperative are required to meet, **(b)** designate or approve regional advertising agencies used by each Cooperative, and **(c)** withdraw its approval of an agency that does not meet Church's standards.

(3) Each franchisee who is a member of the Cooperative shall be entitled to vote on Cooperative matters; however, a franchisee shall not be entitled to vote if it is in default under its franchise agreement or any other agreement with Church's or its affiliates. Church's always shall be a member of the Cooperative and be entitled to attend and fully participate in Cooperative meetings; provided, however, Church's shall not have a vote unless it or its affiliates operates a Church's Restaurant in the area covered by the Cooperative. If the members of the Cooperative are unable or fail to determine the manner in which Cooperative monies should be spent, Church's may assume this decision making authority following 10 days' advance notice to the members of the Cooperative. Church's shall have the right to merge or terminate (and subsequently restart) any Cooperative. Upon termination, all monies in the Cooperative shall be spent for advertising and/or promotional purposes.

(4) Church's may grant to any franchisee an exemption for any length of time from the requirement of membership in the Cooperative and/or from the obligation to contribute to the Cooperative (including a reduction, deferral or waiver of such contribution), upon written request of such a franchisee stating reasons supporting an exemption. Church's decision regarding a request for exemption shall be final. If an exemption is granted to a franchisee, such franchisee shall be required to expend on local advertising, on a monthly basis, the same amount as would otherwise be assessed by the Cooperative. Church's may exempt Church's Restaurants operated by Church's and its affiliates from membership in the Cooperative and/or from the obligation to contribute to the Cooperative.

(5) Church's shall have the sole right to enforce the obligations of franchisees who are members of the Cooperative to contribute to the Cooperative, and neither Franchisee nor any other franchisees who contribute to the Cooperative shall be deemed a third party beneficiary with respect to the Cooperative obligations of other franchisees or have any right to enforce the obligation of any franchisee to contribute to the Cooperative.

C. Local Advertising. All local advertising by Franchisee and any Cooperative shall be subject to Church's approval; shall be in such media, and of such type and format as Church's may require; shall be conducted in a dignified manner; and shall conform to such standards and requirements as Church's may specify. Franchisee agrees not to promote, offer or sell any products or services, or to use any of the Proprietary Marks, relating to the Franchised Restaurant through any electronic media, including, but not limited to, any Internet website, web page, social media outlet or any future technological avenues without Franchisor's prior written consent. Franchisee or the Cooperative, where applicable, shall submit to Church's for approval all proposed advertising, promotional plans and sweepstakes prior to any use, except such advertising materials and plans that have been previously approved by Church's. Church's shall use its best efforts to complete its review of Franchisee's proposed advertising and promotional plans within 15 days after Church's receives such plans. If approval is not received by Franchisee or the Cooperative from Church's within this 15-day period, Church's shall be deemed to have rejected such proposal. In no event shall Franchisee's advertising contain any statement or material which, in the sole opinion of Church's, is: **(1)** in bad taste or offensive to the public or to any group of persons; **(2)** defamatory of any person or an attack on any competitor; **(3)** to infringe upon any other person or entity's trade name, trademark, service mark, or other intellectual property; or **(4)** inconsistent with the public image of Church's or the System. Franchisee shall not issue any press releases without the prior approval of Church's.

6. MANUAL

A. Definition; Contents. The term "Manual" means Church's Operations Manual and any other publications, materials, drawings, memoranda, audio or video recordings, and electronic media that Church's from time to time may provide to Franchisee. The Manual contains detailed standards, specifications, instructions, requirements, methods and procedures for development, management and operation of the Franchised Restaurant. The Manual may also set forth requirements related to the selection, purchase, storage, preparation, packaging, ingredients, recipes, service and sale of all products and beverages sold at the Franchised Restaurant; management and employee training; marketing, advertising and sales promotions; maintenance and repair of the Franchised Restaurant building, grounds, equipment, graphics, signs, interior and exterior décor items, fixtures and furnishings; employee dress attire and appearance standards; menu concept and graphics; accounting, bookkeeping, and records retention; and other business systems, procedures and operations. The Manual is hereby incorporated by reference in its entirety and made a part of this Agreement.

B. Loan. Franchisee acknowledges receipt on loan of Church's confidential and proprietary Manual which contains information and knowledge that is unique, necessary and material to the System. Church's reserves the right to only issue an electronic form of the Manual that Church's may post on a restricted website, intranet or extranet to which Franchisee will have access. Church's may supplement or amend the Manual from time to time by letter, electronic mail, update to Church's franchise website, bulletin, digital video disk, compact disk, USB flash drive, software or other communications concerning the System to reflect changes in the image, specifications and standards relating to developing, equipping, furnishing and operating a Church's Restaurant. Franchisee shall keep its copy of the Manual current with all additions and deletions provided by or on behalf of Church's and shall purchase whatever equipment and related services as may be necessary to receive these communications. If a dispute relating to the contents of the Manual occurs, the master copy maintained by Church's at its principal offices shall control.

C. Confidentiality of the Manual. Franchisee acknowledges that the contents of the Manual are confidential and that the Manual contains Church's trade secrets and copyrighted material. Any passwords or other digital identifications necessary to access the Manual on any website, intranet or extranet also are deemed to be confidential and proprietary to Church's. Accordingly, Franchisee agrees that Franchisee will not disclose the contents of the Manual, passwords or other digital identifications to any person other than employees of the Franchised Restaurant who need to know its contents. Franchisee may not at any time copy, duplicate, record, or otherwise reproduce any part of the Manual.

D. Obligation. Franchisee shall at all times operate the Franchised Restaurant in strict conformity with the Manual; maintain the Manual at the Franchised Restaurant; not reproduce the Manual or any part of it; treat the Manual as confidential and proprietary; and disclose the contents of the Manual only to those employees of Franchisee who have a need to know.

7. MODIFICATIONS OF THE SYSTEM

A. Right To Modify. Church's, in its sole discretion, may from time to time change or modify the System, including modifications to the Manual, the menu and menu formats, the required equipment, the signage, the building and premises of a Church's Restaurant (including the trade dress, décor and color schemes), the presentation of the Proprietary Marks, the adoption of new administrative forms and methods of reporting and of payment of any monies owed to Church's (including electronic means of reporting and payment) and the adoption and use of new or modified Proprietary Marks or copyrighted materials. Franchisee shall accept and use or display in the Franchised Restaurant any such changes or modifications in the System as if they were a part of the System at the time this Agreement was executed, and Franchisee will make such expenditures as the changes or modifications in the System may reasonably require.

B. Menu Items; Prices. Within 30 days after receipt of notice from Church's, Franchisee shall begin selling any newly required menu items and cease selling any menu items that are no longer authorized. Franchisee shall offer all authorized food, beverage and merchandise items under the specific name designated by Church's. Church's, in its sole discretion, may restrict sales of menu items to certain time periods during the day. Franchisee may establish menu prices in its sole and absolute discretion. Franchisee shall not add or modify any menu item or participate in a test market program without having obtained Church's prior approval. Franchisee shall purchase any additional equipment and smallwares as Church's deems reasonably necessary in connection with new menu items. If Church's requires Franchisee to begin offering a new menu item that requires the purchase of additional equipment, a reasonable period of time, as determined in the sole discretion of Church's, shall be provided for the financing, purchase and installation of any such equipment before such new menu items must be offered for sale at the Franchised Restaurant.

C. Variations. Church's has the right, in its sole discretion, to waive, defer or permit variations from the standards of the System or the applicable agreement to any franchisee or prospective franchisee based on the peculiarities of a particular site, existing building configuration or circumstance, density of population, business potential, trade area population or any other condition or circumstance. Church's shall have the right, in its sole discretion, to deny any request to waive, defer, or permit variations from the standards of the System. Church's approval of any waiver, deferral, or variation with respect to any Church's Restaurant or any other franchisee shall not be deemed approval thereof with respect to any other Church's Restaurant or franchisee.

D. Improvements By Franchisee. If Franchisee develops any new concepts, processes or improvements relating to the System, whether or not pursuant to a Church's authorized test, Franchisee promptly shall notify Church's and provide Church's with all information regarding the new concept, process or improvement, all of which shall become the property of Church's and which may be incorporated into the System without any payment to Franchisee. Franchisee, at its expense, promptly shall take all actions deemed necessary or desirable by Church's to vest in Church's ownership of such concepts, processes or improvements.

8. TRAINING

A. New Franchisee Orientation Program. Before Franchisee opens its first franchised Church's Restaurant, Franchisee's Operating Principal (as defined in Section 13.G.) shall attend, and complete to Church's satisfaction, the Church's New Franchisee Orientation Program ("NFOP"). The NFOP shall last 2 days and will be conducted at a training facility designated by Church's. Church's may extend the length of the NFOP in its sole discretion. Church's shall bear all administrative expenses for the NFOP, provided that Franchisee shall pay all travel, living and other expenses incurred by Franchisee's Operating Principal and Franchisee's employees while attending the NFOP.

B. Manager-in-Training Training Program

(1) Before Franchisee opens the Franchised Restaurant, in addition to attending and completing the NFOP (if applicable), Franchisee's Operating Principal and up to four designated management employees of Franchisee, shall attend and complete, to Church's satisfaction, Church's Manager-in-Training ("MIT") Program. At the Franchised Restaurant, Franchisee must employ at least two managers that have completed the MIT Program. Church's may dismiss from the MIT Program any person whom Church's does not believe will perform acceptably in the position for which he has been hired by Franchisee or who fails to comport himself/herself with the standards Church's requires of its employees, and Franchisee shall provide a suitable replacement within 30 days of such dismissal. Church's will authorize the Franchised Restaurant to open only after an adequate number of designated management employees of Franchisee, as determined by Church's in its sole discretion, have attended and successfully completed the MIT Program.

(2) The MIT Program will take place at a Certified Training Restaurant ("CTR") designated by Church's. The MIT Program will be conducted by Church's or by the Church's franchisee which operates the relevant CTR. The MIT Program shall consist of up to four weeks of classroom and restaurant operations training as determined by Church's, provided that if Franchisee is new to the restaurant industry, Church's may require Franchisee to attend one additional week of training. Church's shall certify a management employee of Franchisee who completes the MIT Program as an "MIT Certified Manager."

(3) Church's shall bear all tuition and expenses for the MIT Program attended by Franchisee's management employees prior to opening the Franchised Restaurant. Following the opening of the Franchised Restaurant, Franchisee must pay a tuition fee as established by Church's from time to time for each of Franchisee's management employees who attend the MIT Program. Franchisee will be required to pay all travel, living and other expenses incurred by Franchisee's employees while attending the MIT Program.

(4) Franchisee shall employ at the Franchised Restaurant the number of MIT Certified Managers required by Church's, which in no event shall be less than two. If Franchisee or any MIT Certified Manager ceases active employment at the Franchised Restaurant, Franchisee must enroll a qualified replacement in the MIT Program within 30 days of cessation of such individual's employment. The replacement employee shall attend and complete to Church's satisfaction the next regularly scheduled MIT Program. Church's may charge to Franchisee a tuition fee for any replacement employee.

C. Additional Training. Church's may at any time require that the Operating Principal, Franchisee's restaurant managers and any other employees designated by Church's take and complete other training courses in addition to the MIT Program. Church's reserves the right to require Franchisee to pay a tuition fee as established by Church's from time to time for these additional training programs within 30 days of receipt of an invoice from Church's. Franchisee shall pay all travel, living and other expenses incurred by Franchisee's employees while attending the training.

D. Training of Employees by Franchisee

(1) Training Program. Church's shall provide at its own expense a training kit (known as the "Pathway to Excellence Training Kit" or any replacement thereof) for Franchisee to train its employees in connection with the opening of the Franchised Restaurant. The training kit shall be deemed part of the Manual. Church's may revise the contents of the training kit from time to time by letter, memorandum, bulletin, electronic mail, compact disk, digital video disk, USB flash drive, software or other written or electronic communication, including the Internet. Franchisee shall conduct such initial and continuing training programs for its employees as Church's may require from time to time, including training and/or retraining in accordance with Church's then-current training program.

(2) Certified Training Restaurants. Within 90 days after Franchisee opens its first Franchised Restaurant, Franchisee, at its own expense, must establish such Franchised Restaurant as a CTR at which a designated training manager shall conduct the MIT Program and other training programs for those designated employees of Franchisee and other Church's franchisees whose franchised Church's Restaurants are located in the same DMA as the CTR. Franchisee may offer the MIT Program at its training facility only after the facility and the designated training manager have been certified by Church's. Church's may periodically visit and evaluate the CTR and the designated training manager to ensure that they continue to meet Church's standards, and Church's may revoke its certification if the CTR or the designated training manager cease to meet those standards. Franchisee shall reimburse Church's for all travel, living and other expenses incurred by Church's in evaluating Franchisee's training facility.

9. ADDITIONAL SERVICES BY CHURCH'S

A. Pre-Opening Assistance. Church's may provide consultation and advice to Franchisee, in Church's sole discretion, with regard to the development and operation of the Franchised Restaurant, building layout, furnishings, fixtures and equipment plans and specifications, employee recruiting, selection and training, purchasing and inventory control, and such other matters as Church's deems appropriate.

B. Post-Opening Assistance. Church's periodically, as it deems appropriate, shall advise and consult with Franchisee in connection with the operation of the Franchised Restaurant. Church's, as it deems appropriate, shall provide to Franchisee its knowledge and expertise regarding the System and pertinent new developments, techniques and improvements in the areas of restaurant design, management, food and beverage preparation, sales promotion, service concepts and other areas. Church's may provide these services through visits by Church's representatives to the Franchised Restaurant or Franchisee's offices, the distribution of printed or filmed material or electronic information, meetings or seminars, telephone communications, electronic mail communications, website, or other communications.

C. Periodic Inspections. Church's shall be permitted to inspect the Franchised Restaurant and its operations to assist Franchisee's operations and ensure compliance with the System, at such times or on such schedule as Church's may determine. Church's shall not be required to give prior notice to Franchisee of an inspection. If Franchisee fails an inspection, Church's may require Franchisee to reimburse Church's for all costs (both out-of-pocket and internal overhead) incurred by Church's to conduct a follow-up inspection.

10. PERFORMANCE STANDARDS AND UNIFORMITY OF OPERATION

In recognition of the mutual benefits that come from maintaining the reputation enjoyed by the System, Franchisee shall comply with all of the requirements of the System as set forth in the Manual or otherwise, and without limiting the generality of the foregoing, Franchisee shall comply with the following:

A. Standards, Specifications and Procedures

(1) Franchisee shall operate the Franchised Restaurant in conformity with those uniform standards, specifications and procedures as Church's may from time to time prescribe in the Manual or otherwise in writing, to ensure that quality, service and cleanliness are uniformly maintained and to refrain from any deviation from these standards and from otherwise operating the Franchised Restaurant in any manner which reflects adversely on Church's name, goodwill or Proprietary Marks.

(2) Franchisee shall maintain in sufficient supply and use only those ingredients, products, materials, supplies, and paper goods as conform to Church's standards and specifications, and to refrain from using non-conforming items without Church's prior consent.

(3) Franchisee shall sell or offer for sale only those products and menu items that: **(a)** have been expressly approved for sale in writing by Church's; **(b)** meet Church's uniform standards of quality and quantity; and **(c)** have been prepared in accordance with Church's methods and techniques for product preparation. Franchisee shall refrain from selling any products and menu items that are not approved by Church's or for which Church's has withdrawn approval.

B. Approved Products, Equipment, Distributors and Suppliers

(1) Franchisee shall purchase all ingredients, products, materials, supplies, and other items required in the operation of the Franchised Restaurant which are, or incorporate, trade secrets of Church's, as designated by Church's ("Trade Secret Products"), only from Church's or from suppliers and distributors designated by Church's.

(2) Upon 30 days' prior notice that Church's has designated or changed an exclusive beverage supplier or suppliers for any or all beverage products and equipment within the System ("Designated Beverage Products"), Franchisee shall purchase all such Designated Beverage Products solely from Church's designated beverage supplier or suppliers.

(3) Franchisee shall purchase all ingredients, products, materials, supplies, paper goods, and other items required for the operation of the Franchised Restaurant, except Trade Secret Products and Designated Beverage Products, solely from suppliers and distributors who demonstrate, to the continuing reasonable satisfaction of Church's, the ability to meet Church's reasonable standards and specifications for such items; who possess adequate quality controls and capacity to supply Franchisee's needs promptly and reliably; and who have been approved in writing by Church's and such approval has not thereafter been revoked.

(4) Franchisee shall use only the fixtures, furnishings, equipment (including, without limitation, fryers, grills, ovens, warmers, refrigerators, freezers, waste disposal units, dishwashers, and display cases) and signs (including digital menuboards) that Church's has approved for Church's Restaurants as meeting its specifications and standards for quality, design, appearance, function and performance. Church's may change such specifications and standards from time to time in its discretion.

(5) If Franchisee desires to purchase any items (that Franchisee is not required to purchase from Church's or a supplier designated by Church's) from a supplier or distributor that Church's has not previously approved, Franchisee shall submit to Church's a request for approval, or shall request the supplier to seek approval. Church's may require, as a condition of its approval, that its representatives be permitted to inspect the supplier's or distributor's facilities and that samples from the supplier or distributor be delivered, at Church's option, either to Church's or to an independent laboratory designated by Church's for testing prior to granting approval. Franchisee or the supplier or distributor must pay a charge to Church's not to exceed Church's reasonable cost of inspection and the actual cost of testing. Church's may reinspect the facilities and products of any such approved supplier from time to time and revoke its approval upon failure of such supplier or distributor to continue to meet Church's criteria.

(6) Church's shall establish uniform criteria for approving suppliers and distributors and shall make reasonable efforts to disseminate its standards and specifications to prospective suppliers of Franchisee upon the request of Franchisee. Notwithstanding the foregoing, Church's may elect not to make available to prospective suppliers the standards and specifications for Trade Secret Products or such food formulas or equipment designs otherwise deemed by Church's, in its sole discretion, to be confidential.

(7) If Church's requires, Franchisee shall become and remain a member of a purchasing cooperative. Franchisee shall pay all reasonable membership fees assessed by any such cooperative.

(8) If Franchisee orders supplies through a purchasing system operated by Church's, Church's may charge a reasonable fee or surcharge for such services.

(9) Church's and its affiliates disclaim all express or implied warranties concerning any approved or required goods, materials, equipment, software (including the equipment and software described in Section 10.C.) or services, including, without limitation, any warranties as to merchantability, fitness for a particular purpose, availability, quality, pricing or profitability. Franchisee acknowledges that Church's and its affiliates may receive fees, commissions, royalties, volume discounts, rebates, or other consideration from approved suppliers based on sales to franchisees.

C. Point-of-Sale Systems, Hardware and Software

(1) Franchisee shall procure and install such point-of-sale systems and equipment, data processing equipment, computer hardware, tablets, dedicated telephone and power lines, high speed Internet connections, secure firewall, WifI, modems, printers and other computer-related accessory or peripheral equipment, with such software and programs as Church's specifies from time to time in the Manual or otherwise, at Franchisee's expense. Franchisee grants to Church's the right to retrieve any data and information from Franchisee's computers as Church's, in its sole discretion, deems appropriate, including electronically polling the daily sales, menu mix and other data of the Franchised Restaurant.

(2) Franchisee shall at its sole expense: **(a)** use any proprietary software programs, system documentation manuals and other proprietary materials provided to Franchisee by Church's in connection with the operation of the Franchised Restaurant; **(b)** input and maintain in Franchisee's computer such data and information as Church's prescribes in the Manual, software programs, documentation or otherwise; and **(c)** purchase new or upgraded software programs, system documentation manuals and other proprietary materials at then-current prices whenever Church's adopts such new or upgraded programs, manuals and materials system-wide.

(3) Church's may, in its sole discretion, require Franchisee to: **(a)** add memory, ports and other accessories or peripheral equipment or additional, new or substitute software to the original point-of-sale and computer system purchased by Franchisee; and **(b)** replace or upgrade the entire point-of-sale and computer system with a larger system capable of discharging the tasks and functions specified by Church's. Franchisee acknowledges that point-of-sale and computer designs and functions change periodically and that Church's may make substantial modifications to its specifications or require installation of entirely different systems during the Initial Term or any Renewal Term or upon renewal of this Agreement.

(4) Franchisee, at its own expense, shall keep its point-of-sale and computer system in good maintenance and repair and make additions, changes, modifications, substitutions and replacements to its point-of-sale and computer hardware, software, internet, wifi, telephone and power lines and other computer-related facilities as directed by Church's and on the dates and within the times specified by Church's in its sole discretion.

D. Non-Cash Payment Systems. Within a reasonable period of time following Church's request, Franchisee shall accept debit cards, credit cards, stored value gift cards or other non-cash systems specified by Church's to enable customers to purchase authorized products and shall obtain all necessary hardware and/or software used in connection with these non-cash systems. Franchisee shall be solely responsible for ensuring that all credit card, debit card and similar systems used by Franchisee comply with Payment Card Industry Data Security Standards (PCI-DSS) and any similar standards applicable to payment card systems. Franchisee must provide Church's annual proof of PCI-DSS Compliance via SAQ and QSA certification or via a third party. Franchisee is required to procure a P2Pe encrypted payment terminal for credit and debit payment transaction processing.

E. Inspections

(1) Church's or its designees shall have the right at any reasonable time and without prior notice to Franchisee to: **(a)** inspect the Franchised Location; **(b)** observe, photograph and videotape the operations of the Franchised Restaurant for such consecutive or intermittent periods as Church's deems necessary; **(c)** remove samples of any food and beverage product, supplies, paper goods, materials or other products for testing and analysis (without paying for the samples); **(d)** interview personnel of the Franchised Restaurant; **(e)** interview customers of the Franchised Restaurant; and **(f)** inspect and copy any books, records and documents relating to the operation of the Franchised Restaurant or upon the request of Church's or its designee, require Franchisee to send copies thereof to Church's or its designee. Franchisee shall present to its customers those evaluation forms as are periodically prescribed by Church's and shall participate and/or request its customers to participate in any surveys performed by or on behalf of Church's as Church's may direct.

(2) Franchisee shall cooperate with Church's or its designee in connection with any such inspections, observations, videotaping, product removal and interviews. Franchisee shall immediately correct any deficiencies detected during these inspections (regardless of Franchisee's inventory), including, without limitation, ceasing further sale of unauthorized menu items and ceasing further use of any equipment, advertising materials or supplies that do not conform with the standards and requirements promulgated by Church's from time to time. If the Franchised Restaurant fails to achieve a passing score on any inspection, Church's may require the Operating Principal and any number of managers or employees of the Franchised Restaurant to attend and complete the MIT Program or other training at a CTR designated by Church's. Franchisee shall pay a tuition charge as established by Church's from time to time for this additional MIT Program or other training and the travel, living and other expenses incurred by Franchisee's employees while attending the MIT Program. If, after the completion of this additional MIT Program, the Franchised Restaurant fails to achieve a passing score on the next inspection, Church's may terminate this Agreement pursuant to <u>Section 18.A</u>.

F. Upkeep of the Franchised Restaurant

(1) Franchisee shall constantly maintain the Franchised Restaurant, including, but not limited to, all furniture, fixtures, equipment, furnishings, floor coverings, interior and exterior signage, the building interior and exterior, interior and exterior lighting, landscaping and parking lot surfaces in first-class condition and repair in accordance with the requirements of the System, including all appropriate remodeling, redecorating, refurbishing and repairs. In addition, Franchisee shall promptly and diligently perform all necessary maintenance, repairs and replacements to the Franchised Restaurant as Church's may prescribe from time to time including, but not limited to, periodic interior and exterior painting; resurfacing of the parking lot; roof repairs; and replacement of obsolete or worn out signage, floor coverings, furnishings, equipment and décor.

(2) At its sole cost and expense, Franchisee shall complete a full reimaging, renovation and refurbishment of the Franchised Restaurant ("<u>Franchised Restaurant Renovation</u>") to modernize and conform the Franchised Restaurant to the image of the System for new Church's Restaurants within the time frame required by Church's. Church's shall not require the Franchised Restaurant Renovation if there is less than 5 years remaining on the Initial Term or any Renewal Term. Church's shall not require the Franchised Restaurant Renovation more often than once every 7 years (provided that if Franchisee completed its previous Franchised Restaurant Renovation after a system-wide deadline imposed by Church's, then the 7-year period shall run from such deadline). The Franchised Restaurant Renovation may include changes to the building design, parking lot, landscaping, equipment, signs, interior and exterior décor items, fixtures, furnishings, trade dress, color scheme, presentation of the Proprietary Marks, supplies and other products and materials, to meet Church's then-current standards, specifications and design criteria for Church's Restaurants, including, without limitation, such structural changes, remodeling and redecoration and such modifications to existing improvements as may be necessary to do so. Within 60 days after receipt of Church's notice regarding the required Franchised Restaurant Renovation, Franchisee shall prepare and complete at its sole expense drawings and plans for the renovation. Franchisee must submit these drawings and plans to Church's, and Church's must approve their use, prior to the commencement of work. Franchisee shall complete the Franchised Restaurant Renovation within the time reasonably specified by Church's in its notice.

(3) Franchisee shall not make any material alterations to the Franchised Restaurant without Church's prior approval.

(4) Franchisee acknowledges and agrees that the requirements of this Section are both reasonable and necessary to ensure continued public acceptance and patronage of Church's Restaurants, to assist the Franchised Restaurant to compete effectively in the marketplace and to avoid deterioration or obsolescence of the operation of the Franchised Restaurant.

G. Operation of the Franchised Restaurant

(1) Franchisee shall use the Franchised Location solely for the operation of the Franchised Restaurant and shall maintain sufficient inventories, adequately staff each shift with qualified employees and continuously operate the Franchised Restaurant at its maximum capacity and efficiency 7 days per week, 10:30 A.M. to 9:00 P.M., or such other particular days and hours set forth in the Manual or as Church's otherwise prescribes in writing (subject to the requirements of applicable laws and licensing requirements).

(2) Franchisee shall immediately resolve any customer complaints regarding the quality of food or beverages, service and/or cleanliness of the Franchised Restaurant or any similar complaints. When any customer complaints cannot be immediately resolved, Franchisee shall use best efforts to resolve the customer complaints as soon as practical. If Church's, in its sole discretion, determines that its intervention is necessary or desirable to protect the System or the goodwill associated with the System or if Church's, in its sole discretion, believes that Franchisee has failed adequately to address or resolve any customer complaints, Church's may, without Franchisee's consent, resolve any complaints and charge Franchisee an amount sufficient to cover Church's reasonable costs and expenses in resolving the customer complaints, which amount Franchisee shall pay Church's immediately on demand.

H. Franchised Restaurant Management and Personnel

(1) The Franchised Restaurant shall at all times be under the on-site supervision of the Operating Principal or a restaurant manager or leader who has completed the MIT Program. The Operating Principal shall remain active in overseeing the operations of the Franchised Restaurant, including, without limitation, regular, periodic visits to the Franchised Restaurant and sufficient communications with Church's to ensure that the Franchised Restaurant's operations comply with the operating standards as promulgated by Church's from time to time in the Manual or otherwise in written or oral communications.

(2) If Franchisee operates more than one franchised Church's Restaurant, Franchisee shall have a supervisor, which may be the Operating Principal, supervise and coordinate the operation of Franchisee's franchised Church's Restaurants on a full-time basis ("Supervisor"). In addition to the foregoing, Franchisee shall employ an additional full-time Supervisor upon the opening of Franchisee's ninth franchised Church's Restaurant and upon the opening of each successive eight franchised Church's Restaurants thereafter. Each Supervisor shall attend and successfully complete the MIT Program prior to assuming any supervisory responsibilities and shall meet such other standards as Church's may reasonably impose. No Supervisor shall have supervisory responsibilities for more than eight franchised Church's Restaurants.

(3) Franchisee shall hire all employees of the Franchised Restaurant and be exclusively responsible for the terms of their employment and compensation and for the proper training of such employees in the operation of the Franchised Restaurant, in human resources and customer relations.

(4) Franchisee shall, at Church's request, require all of its supervisory employees, as a condition of their employment, to execute an agreement prohibiting them, during the term of their employment or thereafter, from disclosing or using for the benefit of any person or entity any confidential information, trade secrets, knowledge, or know how concerning the System or methods of operation of the Franchised Restaurant which may be acquired as a result of their employment with Franchisee or other franchisees. Franchisee shall provide a copy of each such agreement to Church's upon execution.

(5) Franchisee shall employ only suitable persons of good character and reputation who will at all times conduct themselves in a competent and courteous manner in accordance with the image and reputation of Church's and the System and while on duty, comply with the dress attire, personal appearance and hygiene standards set forth in the Manual. Franchisee shall use its best efforts to ensure that Franchisee's employees maintain a neat and clean appearance and render competent and courteous service to all customers and fellow employees of the Franchised Restaurant.

I. Signs and Logos. Subject to applicable law and regulation, Franchisee shall prominently display in and upon the land and buildings of the Franchised Restaurant interior and exterior signs and logos using the names "Church's" and "Church's Chicken," without any prefix or suffix, and those other names, marks, advertising signs and logos of such nature, form, color, number, location and size, and containing that material as Church's may from time to time direct. Franchisee shall not display in or upon the Franchised Location any sign, logo or advertising media of any kind that Church's has not approved.

J. Non-Restaurant Equipment. Franchisee shall not permit at the Franchised Restaurant any juke box, vending or game machine, gum machine, game, ride, gambling or lottery device, coin or token operated machine, automated teller machine (ATM) or any music, film or video device not authorized by Church's.

K. Compliance with Laws and Good Business Practices

(1) Franchisee shall secure and maintain in force in its name all required licenses, permits, certificates and other governmental authorizations relating to the operation of the Franchised Restaurant. Franchisee shall operate the Franchised Restaurant in compliance with all applicable laws and regulations, including, without limitation, all laws or regulations relating to the handling of food products, immigration and discrimination, occupational hazards and health insurance, employment laws, workers' compensation insurance, unemployment insurance, withholding and payment of federal and state income, social security, Medicare, sales and other taxes, and payment of sales taxes. All advertising and promotion by Franchisee shall be completely factual and shall conform to the highest standards of ethical advertising. Franchisee shall, in all dealings, adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. Franchisee shall refrain from any business or advertising practice that may be injurious to the goodwill associated with the Proprietary Marks or the business of Church's or its affiliates, the System or other restaurants operated or franchised by Church's or its affiliates.

(2) Franchisee shall notify Church's in writing within 5 days after the commencement of: **(a)** any legal or judicial action, suit or proceeding, or the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental authority, which may adversely affect the operation or financial condition of Franchisee or the Franchised Restaurant; or **(b)** of any notice of violation of any law, ordinance or regulation relating to health or sanitation at the Franchised Restaurant.

L. Customer Satisfaction and Franchise Compliance Programs. Franchisee shall participate in programs required from time to time by Church's regarding customer satisfaction or Franchisee's compliance with the System, which may include (but are not limited to) a guest feedback hotline, guest survey programs, mystery shopping, or other programs as Church's may require. Church's shall share the results of these programs, as they pertain to the Franchised Restaurant, with Franchisee. Church's shall have the right to set minimum score requirements for these programs that the Franchised Restaurant must meet. Franchisee shall pay for all costs related to the Franchised Restaurant associated with any such programs.

M. Delivery and Catering Programs. Franchisee shall participate in delivery and catering programs required from time to time by Church's if such programs are available in the area surrounding the Franchised Restaurant ("Delivery and Catering Programs"). Such Delivery and Catering Programs may be offered by Church's or a 3rd party (the "Delivery and Catering Company/Companies").

(1) To effectuate Franchisee's participation, if required by the Delivery and Catering Company/Companies, Franchisee agrees to execute a delivery agreement with the Delivery and Catering Company/Companies no later than 30 days after execution of this Agreement. If Cajun does not provide that agreement to Franchisee, then Franchisee will provide a copy of that agreement to Cajun.

(2) Pursuant to Franchisee's participation in the Delivery and Catering Programs, Franchisee hereby grants, and Church's hereby accepts, an unlimited, irrevocable, perpetual, transferable, worldwide and royalty-free license to use the data regarding or arising from Franchisee's participation in the Delivery and Catering Programs ("Data License"). Franchisee shall provide a copy of this Data License to the Delivery and Catering Company/Companies and shall ensure that the Delivery and Catering Company/Companies provide reporting to Church's in the form and frequency as Church's may require.

(3) Franchisee agrees to adhere to the 3rd Party Delivery Program standards and specifications as required by Church's and communicated to Franchisee verbally or in writing (the "3rd Party Delivery Program Standards").

(4) Franchisee agree to indemnify and hold Church's harmless for any claims, causes of action, complaints or demands arising from, in connection with or in consequence of the 3rd Party Delivery Program, the Franchisee's Delivery Program Agreement, the 3rd Party Delivery Program Standards or this Consent and Franchisee 3rd Party Delivery Agreement in accordance with the indemnification provision of the Franchise Agreement(s).

N. Internet-Based Customer Ordering Programs. Franchisee shall participate in any internet-based customer ordering program required from time to time by Church's if such programs are available in the area surrounding the Franchised Restaurant ("Order Ahead, Pay Ahead Programs"). Such Order Ahead, Pay Ahead Programs may require orders to be fulfilled by the Delivery and Catering Company/Companies.

11. PROPRIETARY MARKS

A. The term "Proprietary Marks" means all words, symbols, insignia, devices, designs, trademarks, trade names, service marks or combinations thereof, designated by Church's as identifying the System and the products sold and services provided in connection with the System. Church's shall, from time to time, advise Franchisee as to any additions or deletions to the Proprietary Marks and Franchisee's right to use the Proprietary Marks shall be deemed modified by those additions or deletions.

B. Franchisee's right to use the Proprietary Marks under this Agreement is limited to its use of the Proprietary Marks in the operation of the Franchised Restaurant at the Franchised Location and as expressly provided in this Agreement and the Manual. Franchisee shall not use the Proprietary Marks on any vehicles without Church's prior approval. Franchisee shall not use the Proprietary Marks or any variations of the Proprietary Marks or marks or names confusingly similar to the Proprietary Marks in any manner not authorized by Church's or in any corporate, limited liability company or partnership name and shall not use any other trade names, service marks or trademarks in conjunction with the Franchised Restaurant. If local laws or ordinances require that Franchisee file an affidavit of doing business under an assumed name or otherwise make a filing indicating that the Proprietary Marks are being used as a fictitious or assumed name, Franchisee shall include in such filing or application an indication that the filing is made "as a franchisee of Cajun Global LLC". Franchisee shall use the symbol ® with all registered Proprietary Marks and the symbol ™ with all pending registrations or other marks.

C. Franchisee shall not use the Proprietary Marks or any variations of the Proprietary Marks as part of any Internet domain name, electronic mail address, social networking profile, directory listing, screen name, blog, vlog, email account or other electronic identifier or in the operation of any Internet web site without Church's prior consent. Church's may grant or withhold its consent in its sole discretion and may condition its consent on such requirements as Church's deems appropriate, including, among other things, that Franchisee obtain Church's prior approval of: **(1)** any and all Internet domain names and home page addresses related to the Franchised Restaurant; **(2)** the proposed form and content (including any visible and non-visible content such as meta-tags) of any web site related to the Franchised Restaurant; **(3)** Franchisee's use of any hyperlinks or other links; **(4)** Franchisee's use of any materials (including text, video clips, photographs, images and sound bites) in which any third party has an ownership interest; and **(5)** any proposed modification of Franchisee's web site. Church's may designate the form and content of Franchisee's web site and/or require that Church's, or a third party designated by Church's, host any such web site, using one or more web sites that Church's owns and/or controls. In addition, Church's may require Franchisee to establish hyperlinks to Church's web site or another web site designated by Church's.

Church’s may charge Franchisee a fee for developing, reviewing and approving Franchisee’s web site and/or for hosting the web site.

D. If Church’s should elect to use a principal name other than “Church’s” or “Church’s Chicken” to identify the System, Church’s may select another name and notify Franchisee to change all or some items bearing the Proprietary Marks to the new name within a reasonable period of time as determined by Church’s without any liability to Franchisee, and Franchisee promptly shall adopt that name. Franchisee agrees that: **(1)** nothing in this Agreement gives it any right, title or interest in the Proprietary Marks (except the right to use the Proprietary Marks in accordance with the terms of this Agreement); **(2)** the Proprietary Marks are the sole property of Church’s affiliate, Cajun Funding; **(3)** Franchisee shall not directly or indirectly contest the validity or ownership of the Proprietary Marks or the right of Cajun Funding and Church’s to license the Proprietary Marks; and **(4)** any and all uses by Franchisee of the Proprietary Marks and the goodwill arising therefrom shall inure exclusively to the benefit of Cajun Funding, Church’s and their affiliates. Franchisee will not seek to register, reregister, assert claim to ownership of, license or allow others to use, or otherwise appropriate to itself any of the Proprietary Marks or any mark or name confusingly similar thereto, or the goodwill symbolized by any of the foregoing except to the extent this action inures to the benefit of, and has the prior approval of, Church’s. Any unauthorized use of the Proprietary Marks by Franchisee or attempt by Franchisee, directly or indirectly, to register the Proprietary Marks in any jurisdiction shall constitute a breach of this Agreement and an infringement of the rights of Cajun Funding and Church’s in and to the Proprietary Marks.

E. Franchisee promptly shall inform Church’s in writing as to any infringement of the Proprietary Marks of which Franchisee has knowledge. Franchisee shall not make any demand or serve any notice, orally or in writing, or institute any legal action or negotiate, compromise or settle any controversy with respect to any such infringement without Church’s approval. Church’s shall have the right, but not the obligation, to bring such action or take such steps as it may deem advisable to prevent any such infringement and to join Franchisee as a party to any action in which Church’s is or may be a party and as to which Franchisee is or would be a necessary or proper party. Franchisee also shall promptly notify Church’s of any litigation or proceeding of which Franchisee is aware instituted against Cajun Funding, Church’s, their affiliates or Franchisee relating to the Proprietary Marks. Franchisee shall execute any and all instruments and documents, render such other assistance and do any acts and things as may, in Church’s opinion, be necessary or advisable to protect and maintain the interests of Cajun Funding and Church’s in the Proprietary Marks, including, without limitation, their interests in litigation or proceedings before the U.S. Patent and Trademark Office, any court, tribunal or other regulatory agency relating to the Proprietary Marks.

F. Franchisee shall post, in a conspicuous location in or upon the Franchised Restaurant, a sign containing the following notice (or similar language specified by Church’s):

> “This business is owned and operated independently by (*name of franchisee*) who is an authorized licensed user of the trademark **“CHURCH’S”,** which trademark is owned by Cajun Funding Corp.”

In addition, Franchisee shall include such notice (or similar language specified by Church’s) in all written materials related to the Franchised Restaurant which are not solely for internal use (including, without limitation, on advertising, promotional materials, invoices, order forms, receipts, letterhead, and business cards).

12. INSURANCE

A. Insurance Program. Franchisee shall be responsible for all loss or damage arising from or related to Franchisee's development and operation of the Franchised Restaurant, and for all demands or claims with respect to any loss, liability, personal injury, death, property damage, or expense whatsoever occurring upon the premises of, or in connection with the development or operation of, the Franchised Restaurant. Franchisee shall maintain in full force and effect that insurance which Franchisee determines is necessary or appropriate for liabilities caused by or occurring in connection with the development and operation of the Franchised Restaurant, which shall include, at a minimum, insurance policies of the kinds, and in the amounts required by Section 12.B. Franchisee shall cause Church's and any entity with an insurable interest designated by Church's to be named as an additional insured for General Liability and loss payee for property policy to the extent each has an insurable interest .

B. Minimum Insurance Requirements. Franchisee shall obtain all insurance policies from an insurance company or companies satisfactory to Church's in compliance with the standards, specifications, coverages and limits set forth in the Manual or otherwise provided to Franchisee in writing. Church's may reasonably increase the minimum coverage required and require different or additional kinds of insurance to reflect inflation, changes in standards of liability, higher damage awards or other relevant changes in circumstances. Franchisee shall receive notice of such modifications and shall take prompt action to secure the additional coverage or higher policy limits. These policies shall include, at a minimum, the following:

(1) Comprehensive or Commercial General Liability Insurance including coverage for bodily injury, personal injury, death and property damage, including Premises and Operations, independent contractors, blanket contractual liability, broad form property damage, products and completed operations and property damage on an occurrence basis with policy limits of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate or split liability limits of $1,000,000 for bodily injury per person; $1,000,000 for bodily injury per occurrence; and $500,000 for property damage.

(2) Comprehensive Automobile Liability Insurance, if applicable, covering owned, non-owned and hired vehicles with limits as follows: combined single limit of $500,000 for bodily injury, death and property damage per occurrence; or split liability limits of $500,000 for bodily injury per person; $500,000 for bodily injury per occurrence; and $250,000 for property damage.

(3) All Risk Property Insurance for fire and related peril with limits of insurance of not less than the full replacement value of the Franchised Restaurant, and its furniture, fixtures, equipment, inventory and other tangible property on Special Form. If the Franchised Location is in an area prone to geological phenomena, including, but not limited to, wind, sinkholes, mine subsidence, earthquakes, hurricanes, tornadoes, or floods, the all-risk property insurance shall cover such risks.

(4) Employer's Liability Insurance for employee bodily injury and deaths, with a limit of $500,000 per incident.

(5) Workers' Compensation and such other insurance as may be required by statute or rule of the state or locality in which the Franchised Restaurant is located. This coverage shall also be in effect for all of Franchisee's employees who participate in any of Church's training programs.

(6) Builder's All Risk Insurance in connection with any construction, renovation, refurbishment or remodeling of the Franchised Restaurant. In connection with new construction or substantial renovation, refurbishment or remodeling of the Franchised Restaurant, Franchisee shall maintain performance and completion bonds in forms and amounts, and written by carrier(s), reasonably satisfactory to Church's.

(7) Employment Practice Liability Insurance containing third party endorsement is highly recommended.

C. General Insurance Requirements. The following general requirements shall apply to each insurance policy that Franchisee is required to maintain under this Agreement:

(1) Each insurance policy shall be specifically endorsed to provide that the coverages shall be primary and that any insurance carried by any additional insured shall be excess and non-contributory. The applicable limits of each insurance policy shall be exhausted before any benefits (defense or indemnity) may be obtained under any other insurance (including self-insurance) providing coverage to Church's. In the event payments are required to be made under Church's own insurance policies or self-insurance (whether for defense or indemnity) before the applicable coverage limits for the insurance policies obtained by Franchisee are exhausted, Franchisee agrees to reimburse, hold harmless and indemnify Church's and its insurers for such payments. Franchisee shall notify its insurers of this Agreement and shall use best efforts to obtain an endorsement on each policy it obtains pursuant to Section 12.B., stating as follows:

> The applicable limits of this policy shall be applied and exhausted before any benefits may be obtained (whether for defense or indemnity) under any other insurance (including self-insurance) that may provide coverage to Church's. All insurance coverage obtained by Church's shall be considered excess insurance with respect to this policy, the benefits of which excess insurance shall not be available until the applicable limits of this policy are exhausted.

(2) No insurance policy shall contain a provision that in any way limits or reduces coverage for Franchisee in the event of a claim by Church's or its affiliates.

(3) Each insurance policy shall extend to, and provide indemnity for, all obligations and liabilities of Franchisee to third parties and all other items for which Franchisee is required to indemnify Church's under this Agreement.

(4) An insurance company that has received and maintains an "A" or better rating by the latest edition of Best's Insurance Rating Service shall write each insurance policy.

(5) No insurance policy shall provide for a deductible amount that exceeds $5,000, unless otherwise approved in writing by Church's, and Franchisee's co-insurance under any insurance policy shall be 80% or greater.

(6) All liability insurance policies shall be written on an "occurrence" policy form. Franchisee shall be responsible for payment of any and all deductibles from insured claims under its insurance policies. Franchisee shall not self-insure any of the insurance coverages required by this Agreement or non-subscribe to any state's applicable workmen's compensation laws without the prior consent of Church's.

D. No Limitation on Coverage. Franchisee's obligation to obtain and maintain the insurance policies in the minimum amounts specified by Church's shall not be limited in any way by reason of any insurance which may be maintained by Church's, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in Section 22 of this Agreement.

E. Issuance of Insurance. Franchisee shall obtain the insurance required by this Agreement no later than 15 days before the date on which the construction of the Franchised Restaurant is commenced. Franchisee shall not open the Franchised Restaurant for business prior to Church's receipt of satisfactory evidence that all insurance required by this Agreement is in effect. Upon obtaining such insurance and on each policy renewal date thereafter, Franchisee shall submit evidence of satisfactory insurance and proof of payment for such insurance to Church's. At least once per year, Franchisee shall submit to Church's a copy of its current year insurance certificate. Franchisee shall use its best efforts to coordinate the policy effective dates for the required coverage for all franchised Church's Restaurants operated by Franchisee to have one similar policy period. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least 30 days' prior notice to Church's. Upon request, Franchisee also shall provide to Church's copies of all policies, policy amendments and riders. No failure of Church's to request such evidence of satisfactory insurance and proof of payment or copies of any policies shall constitute a waiver of Church's right to demand exact compliance by Franchisee to comply with, or Franchisee's obligations under, this Section.

F. No Representations. Franchisee acknowledges that no requirement for insurance contained in this Agreement constitutes advice or a representation by Church's that only such policies, in such amounts, are necessary or adequate to protect Franchisee from losses in connection with its business under this Agreement. Franchisee further acknowledges that the insurance requirements contained in this Agreement shall not be construed as a limitation of Franchisee's liability to Church's or any third party arising from Franchisee's development and operation of the Franchised Restaurant. Maintenance of this insurance and the performance by Franchisee of its obligations under this Section shall not relieve Franchisee of liability under the indemnification provisions of this Agreement.

13. ORGANIZATION OF FRANCHISEE

A. Representations.

(1) If Franchisee is a legal entity such as a corporation, limited liability company or a partnership, Franchisee represents and warrants to Church's that: (a) Franchisee is duly organized or incorporated and validly existing under the laws of the state of its formation; (b) it is qualified to do business in the state in which the Franchised Restaurant is located; (c) execution of this Agreement and the development and operation of the Franchised Restaurant is permitted by its governing documents; and (d) unless waived in writing by Church's, Franchisee's Articles of Incorporation, Articles of Organization or written partnership agreement shall at all times provide that the activities of Franchisee are limited exclusively to the development and operation of Church's Restaurants and other restaurants operated by Franchisee that are franchised by Church's or its affiliates.

(2) If Franchisee is an individual, or a partnership comprised solely of individuals, Franchisee makes the following additional representations and warranties: (a) each individual has executed this Agreement; (b) each individual shall be jointly and severally bound by, and personally liable for, the timely and complete performance and any breach of each and every provision of this Agreement; and (c) notwithstanding any Transfer for convenience of ownership pursuant to Section 15.F., each individual shall continue to be jointly and severally bound by, and personally liable for, the timely and complete performance and any breach of each and every provision of this Agreement.

B. Governing Documents. If Franchisee is a corporation, copies of Franchisee's Articles of Incorporation, bylaws, other governing documents and any amendments, including the resolution of the Board of Directors authorizing entry into and performance of this Agreement, and all shareholder agreements, including buy/sell agreements, have been furnished to Church's. If Franchisee is a limited liability company, copies of Franchisee's Articles of Organization, Operating Agreement, other governing documents and any amendments, including the resolution of the members or managers authorizing entry into and performance of this Agreement, and all agreements, including buy/sell agreements, among the members have been furnished to Church's. If Franchisee is a partnership, copies of Franchisee's written partnership agreement, other governing documents and any amendments, as well as all agreements, including buy/sell agreements, among the partners have been furnished to Church's, in addition to evidence of consent or approval of the entry into and performance of this Agreement by the requisite number or percentage of partners, if that approval or consent is required by Franchisee's written partnership agreement. When any of these governing documents are modified or changed, Franchisee promptly shall provide copies to Church's.

C. Ownership Interests. If Franchisee is a corporation, a limited liability company or a partnership, all interests in Franchisee are owned as set forth in attached Schedule 2. In addition, if Franchisee is a corporation, Franchisee shall maintain a current list of all owners of record and all beneficial owners of any class of voting securities of the corporation (and the number of shares owned by each). If Franchisee is a limited liability company, Franchisee shall maintain a current list of all members (and the percentage membership interest of each member). If Franchisee is a partnership, Franchisee shall maintain a current list of all owners of an interest in the partnership (and the percentage ownership of each owner). Franchisee shall comply with Section 15 prior to any change in ownership interests and shall execute addenda to Schedule 2 as changes occur in order to ensure the information contained in Schedule 2 is true, accurate and complete at all times.

D. Restrictive Legend. If Franchisee is a corporation, Franchisee shall maintain stop-transfer instructions against the transfer on its records of any voting securities, and each stock certificate of the corporation shall have conspicuously endorsed upon its face the following statement: "Any assignment or transfer of this stock is subject to the restrictions imposed on assignment by the Church's Chicken Franchise Agreement(s) to which the corporation is a party." If Franchisee is a publicly-held corporation, these requirements shall apply only to the stock owned by Franchisee's Continuity Group (as defined in Section 13.E.). If Franchisee is a limited liability company, each membership or management certificate or other evidence of interest in Franchisee shall have conspicuously endorsed upon its face the following statement: "Any assignment or transfer of an interest in this limited liability company is subject to the restrictions imposed on assignment by the Church's Chicken Franchise Agreement(s) to which the limited liability company is a party." If Franchisee is a partnership, its written partnership agreement shall provide that ownership of an interest in the partnership is held subject to, and that further assignment or transfer is subject to, all restrictions imposed on assignment by this Agreement.

E. Continuity Group. Schedule 2 lists those persons and/or entities that Church's and Franchisee have designated as Franchisee's "Continuity Group." In the event of any change in the Continuity Group or in the ownership interests of any member of the Continuity Group, Franchisee shall execute addenda to Schedule 2 to reflect the change. The Continuity Group shall at all times own at least 51% of the voting securities of Franchisee (or if Franchisee is a partnership, the Continuity Group shall at all times have at least a 51% interest in the operating profits and losses and at least a 51% ownership interest in Franchisee).

F. Guarantees.

(1) All members of the Continuity Group shall jointly and severally guarantee Franchisee's payment and performance under this Agreement and shall bind themselves to the terms of this Agreement pursuant to a Guaranty in the form prescribed by Church's ("Guaranty"). Unless Franchisee is a publicly-held entity, all holders of a legal or beneficial interest in Franchisee of 5% or more of the equity of Franchisee ("5% Owners") also shall jointly and severally guarantee Franchisee's payment and performance under this Agreement and also shall bind themselves to the terms of this Agreement pursuant to the Guaranty. Notwithstanding the foregoing, Church's reserves the right, in its sole discretion, to waive the requirement that some or all of the previously described individuals execute the Guaranty. Church's reserves the right to require any guarantor to provide personal financial statements to Church's from time to time.

(2) With respect to 5% Owners, Franchisee acknowledges that, unless otherwise agreed to in writing by Church's, it is Church's intent to have individuals (and not corporations, limited liability companies or other entities) execute the Guaranty. Accordingly, if any 5% Owner is not an individual, Church's shall have the right to have the Guaranty executed by individuals who have only an indirect ownership interest in Franchisee.

(3) If Franchisee, any guarantor or any parent, subsidiary or affiliate of Franchisee holds any interest in other restaurants that are franchised by Church's or its affiliates, the party who owns that interest shall execute, concurrently with this Agreement, a form of cross-guarantee to Church's and its affiliates for the payment of all obligations for such restaurants, unless waived in writing by Church's in its sole discretion.

G. Operating Principal. Franchisee shall designate and retain an individual to serve as the "Operating Principal." The Operating Principal as of the date of this Agreement is identified in Schedule 2. Unless waived in writing by Church's, the Operating Principal shall meet all of the following qualifications:

(1) The Operating Principal, at all times, shall have at least a 10% equity ownership interest in Franchisee (unless Franchisee is a publicly-held entity or a wholly-owned subsidiary of a publicly-held entity).

(2) The Operating Principal, at all times, shall be a member of the Continuity Group and, at a minimum, have full control over the day-to-day activities, including operations, of the Franchised Restaurant and those other restaurants (that are franchised by Church's or its affiliates) operated by Franchisee in the same geographic area as the Franchised Restaurant, including control over the standards of operation and financial performance.

(3) The Operating Principal shall devote full-time and best efforts to supervising the operation of the Franchised Restaurant and those other restaurants (that are franchised by Church's or its affiliates) operated by Franchisee in the same geographic area as the Franchised Restaurant and shall not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility.

(4) The Operating Principal shall maintain his or her primary residence within a reasonable driving distance of at least one of Franchisee's franchised Church's Restaurants.

(5) The Operating Principal shall successfully complete the NFOP (if it has not previously done so) and the MIT Program and any additional training required by Church's.

(6) Church's shall have approved the Operating Principal and not have later withdrawn that approval.

(7) If the Operating Principal no longer qualifies as such, Franchisee shall designate another qualified person to serve as Operating Principal within 30 days after the date the prior Operating Principal ceases to be qualified. Franchisee's designee to become the Operating Principal must successfully complete the MIT Program and the NFOP. Following Church's approval of a new Operating Principal, that person shall execute the attached form of Guaranty unless waived by Church's in its sole discretion.

14. TRANSFERS BY CHURCH'S

Church's shall have the absolute, unrestricted right, exercisable at any time, to transfer and assign all or any part of its rights and obligations under this Agreement to any person or entity and to undergo a change in ownership and control, without the consent of Franchisee.

15. TRANSFERS BY FRANCHISEE

A. Church's Prior Approval Required

(1) Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and that Church's has entered into this Agreement in reliance on Franchisee's (and Operating Principal's) business skill, financial capacity, personal character, experience and demonstrated or purported ability in developing and operating high quality foodservice operations. Accordingly, neither Franchisee nor any person or entity which directly or indirectly controls Franchisee shall sell, assign, transfer, convey, or give away any interest in Franchisee, this Agreement, the Franchised Restaurant, the assets of the Franchised Restaurant, the Franchised Location or any other assets pertaining to Franchisee's operations under this Agreement (collectively "Transfer") without the prior consent of Church's.

(2) Except as otherwise provided in this Agreement, any purported Transfer, by operation of law or otherwise, not having the prior consent of Church's shall be null and void.

(3) If Franchisee engages in a Transfer without the prior written consent of Church's, and Church's nonetheless accepts the purported transferee as a franchisee, then Franchisee shall be liable to Church's for an unauthorized Transfer fee equal to $25,000.

B. Conditions to Approval of Transfer and Transferee. Franchisee shall advise Church's in writing of any proposed Transfer, submit (or cause the proposed transferee to submit) a franchise application for the proposed transferee, and submit a copy of all contracts, agreements or proposals, and all other information requested by Church's relating to the proposed Transfer. If Church's does not exercise its right of first refusal as described in Section 15.I., the decision as to whether or not to approve a proposed Transfer shall be made by Church's in its sole discretion and shall include numerous factors deemed relevant by Church's. These factors may include, but will not be limited to, the following:

(1) The proposed transferee (and if the proposed transferee is other than an individual, such owners of an interest in the transferee as Church's may request) must demonstrate that it has extensive experience in high quality restaurant operations of a character and complexity similar to the restaurants franchised by Church's or its affiliates; meets the managerial, operational, experience, quality, character and business standards for a franchisee promulgated by Church's from time to time; possesses a good character, business reputation and credit rating; has an organization whose management culture is compatible with Church's management culture; and has adequate financial resources and working capital to meet Franchisee's obligations under this Agreement.

(2) The sales price shall not be so high, in Church's reasonable judgment, as to jeopardize the ability of the transferee to develop, maintain, operate and promote the Franchised Restaurant and meet financial obligations to Church's, third party suppliers and creditors. Church's decision with respect to a proposed Transfer shall not create any liability on the part of Church's to: **(a)** the transferee, if

Church's approves the Transfer and the transferee experiences financial difficulties; or **(b)** Franchisee or the proposed transferee, if Church's disapproves the Transfer pursuant to this Section or for other legitimate business purposes. Church's, without any liability to Franchisee or the proposed transferee, has the right, in its sole discretion, to communicate and counsel with Franchisee and the proposed transferee regarding any aspect of the proposed Transfer.

(3) All of Franchisee's accrued monetary obligations to Church's and its affiliates (whether arising under this Agreement or otherwise) have been satisfied, and all of Franchisee's outstanding obligations related to the Franchised Restaurant (including, but not limited to, bills from suppliers, taxes, judgments and any required governmental reports, returns, affidavits or bonds) have been satisfied or, in the reasonable judgment of Church's, adequately provided for. Church's reserves the right to require that a reasonable sum of money be placed in escrow to ensure that all of these obligations are satisfied.

(4) Franchisee is not then in material default of any provision of this Agreement or any other agreement between Franchisee and Church's or its affiliates and is not in default beyond the applicable cure period under any real estate lease, equipment lease or financing instrument relating to the Franchised Restaurant.

(5) Unless waived by Church's in its sole discretion, the transferee and those employees of the transferee designated by Church's shall complete the NFOP (if it has not previously done so), the MIT Program, and any additional training programs required by Church's.

(6) If the Franchised Restaurant has not been remodeled in accordance with Section 10.F.(2) within 7 years before the date of Transfer, the transferee shall make, or make arrangements to make, the capital expenditures required to renovate and modernize the Franchised Restaurant to conform to the interior and exterior designs, décor, color schemes, furnishings and equipment and presentation of the Proprietary Marks consistent with the image of the System for new Church's Restaurants at the time of the Transfer, including such structural changes, remodeling, redecoration and modifications to existing improvements as may be necessary to do so. Church's may require that the transferee place funds into escrow and execute a separate agreement with Church's setting forth a timeline to complete such remodeling.

(7) Franchisee shall perform all deferred repair and maintenance work ("R&M") on the Franchised Restaurant prior to the Transfer or transferee shall agree to perform all R&M within a period of time after closing that is agreed to by transferee and Church's.

(8) Unless waived by Church's in its sole discretion, Franchisee shall provide such financial and other information as Church's may request regarding Franchisee and the Franchised Restaurant, and if requested by Church's, Franchisee at its own expense shall engage a contractor designated by Church's to conduct a valuation of Franchisee and the Franchised Restaurant.

C. Conditions to Obtaining Church's Consent to Complete Transfer. If Church's approves a proposed Transfer, prior to the Transfer becoming effective:

(1) Franchisee shall pay Church's a nonrefundable Transfer fee in the amount of $5,000 in connection with Church's review of the Transfer application.

(2) At Church's election, either **(a)** Franchisee and the proposed transferee shall execute an assignment of this Agreement; or **(b)** the proposed transferee shall execute Church's then-current standard form of franchise agreement (which may contain new or different terms than this Agreement) for an initial term corresponding to the number of years remaining under this Agreement at the time of the

Transfer. In either event, a guaranty of the type required by Section 13.F. shall be executed by those individuals identified in Section 13.F. If transferee wishes to extend the term beyond the number of years remaining under this Agreement at the time of the Transfer, transferee shall pay the *pro rata* portion of the then-current Initial Franchise Fee corresponding to the number of additional years purchased.

(3) Church's may, in its sole discretion, require the proposed transferee to agree to develop at least two additional franchised Church's Restaurants pursuant to Church's then-current form of Development Agreement and pay Church's then-current development fees.

(4) Franchisee, all individuals who executed this Agreement and all guarantors of Franchisee's obligations must execute a general release and a covenant not to sue, in a form satisfactory to Church's, of any and all Claims (as defined in Section 16) against Church's and its affiliates and their respective past and present officers, directors, shareholders, agents and employees, in their corporate and individual capacities, including, without limitation, Claims arising under federal, state and local laws, rules and ordinances, and including, without limitation, Claims arising out of, or relating to, this Agreement or any other agreements between Franchisee and Church's.

(5) Franchisee and all guarantors of Franchisee's obligations shall, at Church's request, execute a guaranty pursuant to which Franchisee and such guarantors shall remain liable for all obligations to Church's incurred before the date of the Transfer and for all obligations of the transferee to Church's and its affiliates for a period of 1 year following such Transfer.

(6) Franchisee and all guarantors of Franchisee's obligations shall acknowledge and agree that they remain obligated under the applicable covenants contained in Section 17 of this Agreement as if this Agreement had been terminated on the date of the Transfer.

D. Issuance or Exercise of Stock Options. Notwithstanding the provisions of Section 15.B., the issuance of options or the exercise of options pursuant to a qualified stock option plan or a qualified employee stock ownership plan shall not be considered a Transfer and shall not require the prior approval of Church's, provided that no more than a total of 49% of Franchisee's outstanding voting securities are subject to the qualified stock option plan or qualified employee stock ownership plan.

E. Transfers Permitted Without Church's Prior Approval. Notwithstanding the provisions of Section 15.A. and 15.B., Church's agrees that certain Transfers shall be permitted without Church's prior approval, provided all of the following conditions are satisfied:

(1) The Transfer is a transfer of:

(a) A minority percentage of ownership interests in Franchisee and after the Transfer, the Continuity Group owns at least 51% of Franchisee's voting securities (or if Franchisee is a partnership, the Continuity Group owns at least a 51% interest in the operating profits and losses of a partnership Franchisee as well as at least a 51% ownership interest in a partnership Franchisee); or

(b) Ownership interests in Franchisee following the death or permanent disability of a person with an ownership interest in Franchisee, provided that the Transfer is to the parent, sibling, spouse or children of that person or to a member of the Continuity Group. Such Transfer shall be completed within a reasonable time, not to exceed 6 months from the date of death or permanent disability. Failure to complete the Transfer within this period of time will constitute a breach of this Agreement. A person shall be deemed to have a "permanent disability" if his or her personal, active participation in the development and operation of the Franchised Restaurant is for any reason curtailed for a continuous period of 6 months.

(2) The Transfer is not undertaken to circumvent a Transfer request that Church's rejected under this Section 15.

(3) Franchisee provides Church's written notice of its intent to undertake the Transfer at least 30 days prior to the effective date of the Transfer, together with documents demonstrating that the Transfer meets this Section.

(4) At the time of Franchisee's notice to Church's, Franchisee shall not be in default of this Agreement or any other agreements between Franchisee and Church's or its affiliates.

F. Transfers for Convenience of Ownership. If Franchisee is an individual or a partnership and desires to Transfer this Agreement to a corporation (or limited liability company) formed for the convenience of ownership, the requirements of this Section 15 shall apply to such a Transfer; however, Franchisee will not be required to pay a Transfer fee. Church's approval also will be conditioned on the following: (1) the corporation (or limited liability company) must be newly organized; (2) prior to the Transfer, Church's must receive a copy of the documents specified in Section 13.B. and the transferee shall comply with the remaining provisions of Section 13; and (3) Franchisee must own all voting securities of the corporation (or membership interests of the limited liability company) or if Franchisee is owned by more than one individual, each person shall have the same proportionate ownership interest in the corporation (or the limited liability company) as they had in this Agreement prior to the Transfer.

G. Grant of Security Interest. Franchisee shall not grant any security interest in the Franchised Restaurant, the Franchised Location, or the assets of Franchisee without Church's prior approval, which will not be unreasonably withheld.

H. Offerings by Franchisee. Securities in Franchisee may be sold, by private or public offering, only with Church's prior consent (whether or not Church's consent is required under any other provision of this Section), which consent shall not be unreasonably withheld. In addition to the requirements of Section 15.B., prior to the time that any public offering or private placement of securities in Franchisee is made available to potential investors, Franchisee, at its expense, shall deliver to Church's a copy of the offering documents. Franchisee, at its expense, also shall deliver to Church's an opinion of Franchisee's legal counsel (addressed to Church's and in a form acceptable to Church's) that the offering documents properly use the Proprietary Marks and accurately describe Franchisee's relationship with Church's and/or its affiliates. For each proposed offering, Franchisee shall pay Church's a non-refundable fee in the amount of $5,000 or such greater amount as is necessary to reimburse Church's for its reasonable costs and expenses associated with reviewing the proposed offering, including, but not limited to, legal and accounting fees. The indemnification provisions of Section 22 shall also include any losses or expenses incurred by Church's and/or its affiliates in connection with any statements made by or on behalf of Franchisee in any public offering or private placement of Franchisee's securities.

I. Right of First Refusal

(1) If any party holding any interest in Franchisee or in this Agreement receives a bona fide offer (as determined by Church's in its reasonable discretion) from a third party or otherwise desires to undertake any Transfer that would require Church's approval (other than a sale of ownership interests in Franchisee to a spouse, parent, child or sibling), within 10 days after receipt of such offer or decision to undertake such proposed Transfer, the party shall notify Church's in writing of the terms of the proposed Transfer, and shall provide such information and documentation relating to the proposed Transfer as Church's may reasonably require. Church's or its designee may elect to purchase the interest that the seller proposes to Transfer any time within 30 days after receipt of notification and all documents and other information required by Section 15.B., by sending written notice to the seller that Church's or its designee intends to purchase the seller's interest on the same financial terms and conditions offered by the third party. If the Transfer involves more than one franchised Church's Restaurant, Church's may elect to purchase all or less than all of the franchised Church's Restaurants so transferred. If Church's elects to purchase the interest, closing on the sale of such interest shall occur within 60 days from the date of Church's notice to the seller of the interest. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same rights of first refusal by Church's as in the case of an initial offer. In purchasing the interest, Church's or its designee shall be entitled to set off any monies owed to Church's or its affiliates by Franchisee and Church's or its designee shall be entitled to all customary representations and warranties as to: **(a)** ownership, condition and title; **(b)** liens and encumbrances; **(c)** compliance with environmental laws; and **(d)** validity of contracts inuring to the purchaser or affecting the assets, whether contingent or otherwise.

(2) If the offer to Franchisee involves assets in addition to this Agreement, the Franchised Location and the Franchised Restaurant, Franchisee's notice to Church's shall state the cash value of that portion of the offer received by Franchisee relating to this Agreement, the Franchised Location, and the Franchised Restaurant. If the proposed Transfer provides for payment of consideration other than cash or it involves intangible benefits, Church's or its designee may elect to purchase the interest proposed to be sold for the reasonable equivalent in cash. If the parties are unable to agree within 30 days on the reasonable equivalent in cash of the non-cash part of the offer received by Franchisee or the cash value of that portion of the offer received by Franchisee relating to this Agreement, the Franchised Location, and the Franchised Restaurant, the amount shall be determined by two professionally certified appraisers, Franchisee selecting one and Church's or its designee selecting one. If the amounts set by the two appraisers differ by more than 10%, the two appraisers shall select a third professionally certified appraiser who also shall determine the amount. The average value set by the appraisers (whether two or three appraisers as the case may be) shall be conclusive and Church's or its designee may exercise its right of first refusal within 30 days after being advised in writing of the decision of the appraisers. The parties shall share the cost of the appraisers equally.

(3) Church's failure to exercise its right of first refusal shall not constitute approval of the proposed Transfer nor a waiver of any other provision of this Section 15 with respect to a proposed Transfer. Church's shall again be given a right of first refusal if a transaction does not close within 6 months after Church's elected not to exercise its right of first refusal.

(4) In no event shall Franchisee offer the interest for sale or transfer at public auction, nor at any time shall an offer be made to the public to sell, transfer or assign, through any advertisement, either in the newspapers or otherwise, without first having obtained the approval of Church's to the auction or advertisement.

J. No Waiver. Church's consent to any Transfer shall not constitute a waiver of any claims Church's may have against the transferring party, nor shall it be deemed a waiver of Church's right to demand exact compliance with any of the terms of this Agreement by the transferee, nor will it be deemed a waiver of Church's right to give or withhold approval to future Transfers.

16. GENERAL RELEASE

Effective upon Franchisee's execution of this Agreement, Franchisee (on behalf of itself and its parent, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, agents and employees, in their corporate and individual capacities, or if Franchisee is an individual, on behalf of himself/herself and his/her heirs, representatives, successors and assigns), all individuals who execute this Agreement (on behalf of themselves and their heirs, representatives, successors and assigns) and all guarantors of Franchisee's obligations under this Agreement (on behalf of themselves and their heirs, representatives, successors and assigns) (collectively "Franchisee Releasors") freely and without any influence forever release and covenant not to sue Church's, its parent, subsidiaries and affiliates and their respective past and present officers, directors, members, managers, shareholders, agents and employees, in their corporate and individual capacities (collectively "Church's Releasees") from any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively "Claims"), which any Franchisee Releasor now owns or holds or may at any time have owned or held, including, without limitation, Claims arising under federal, state and local laws, rules and ordinances, Claims for contribution, indemnity and/or subrogation and Claims arising out of or relating to this Agreement and all other agreements between any Franchisee Releasor and any Church's Releasee, the sale of a franchise to Franchisee, the development and operation of the Franchised Restaurant and the development and operation of all other restaurants operated by Franchisee or any guarantor that are franchised by Church's or its parent, subsidiaries or affiliates. This General Release does not release any Claims arising from representations made in Church's Franchise Disclosure Document and its exhibits. FRANCHISEE, ON BEHALF OF ITSELF AND THE FRANCHISEE RELEASORS, WAIVES ANY RIGHTS AND BENEFITS CONFERRED BY ANY APPLICABLE PROVISION OF LAW EXISTING UNDER ANY FEDERAL, STATE OR POLITICAL SUBDIVISION THEREOF WHICH WOULD INVALIDATE ALL OR ANY PORTION OF THE RELEASE CONTAINED HEREIN BECAUSE SUCH RELEASE MAY EXTEND TO CLAIMS THAT THE FRANCHISEE RELEASORS DO NOT KNOW OR SUSPECT TO EXIST IN THEIR FAVOR AT THE TIME OF EXECUTION OF THIS AGREEMENT. FRANCHISEE (ON BEHALF OF ITSELF AND THE FRANCHISEE RELEASORS) EXPRESSLY AGREES THAT, WITH RESPECT TO THIS RELEASE, ANY AND ALL RIGHTS GRANTED UNDER SECTION 1542 OF THE CALIFORNIA CIVIL CODE ARE EXPRESSLY WAIVED, TO THE EXTENT APPLICABLE. THAT SECTION READS AS FOLLOWS: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

17. COVENANTS

A. Continuous Operation. Franchisee acknowledges that it does not have the unilateral right to cease operating the Franchised Restaurant during the Initial Term or any Renewal Term of this Agreement. Franchisee shall not cease to continuously operate the Franchised Restaurant for more than 5 consecutive days, unless the closing is due to an act of God, fire or other natural disaster or is approved in writing in advance by Church's. If such closing is due to an act of God, fire or other natural disaster, Franchisee shall repair, reconstruct, and reopen the Franchised Restaurant as soon as reasonably possible. If Church's or Franchisee reasonably believes such repairs or reconstruction cannot be completed within 180 days after the event, Franchisee shall have 30 days after the event in which to apply for Church's approval to relocate and/or reconstruct the premises, which approval shall not be unreasonably withheld, but may be conditioned upon the payment of an agreed minimum royalty fee to Church's during the period in which the Franchised Restaurant is not in operation.

B. Best Efforts. Franchisee and the Operating Principal shall devote their best efforts to the development, management and operation of the Franchised Restaurant.

C. Confidentiality

(1) Franchisee acknowledges and agrees that: **(a)** Church's owns all right, title and interest in and to the System; **(b)** the System consists of trade secrets and confidential and proprietary information and know-how (including, but not limited to, drawings, materials, equipment, recipes, prepared mixtures or blends of spices or other food products and other data which Church's deems confidential) that gives Church's and its affiliates a competitive advantage; **(c)** Church's and its affiliates have taken all measures necessary to protect the trade secrets and the confidentiality of the proprietary information and know-how comprising the System; **(d)** all material or other information now or hereafter provided or disclosed to Franchisee regarding the System is disclosed in confidence; **(e)** Franchisee has no right to disclose any part of the System to anyone who is not an employee of Franchisee; **(f)** Franchisee will disclose to its employees only those parts of the System that an employee needs to know; **(g)** Franchisee will have a system in place to ensure its employees keep confidential Church's trade secrets and confidential and proprietary information, and if requested by Church's, Franchisee shall obtain from those of its employees designated by Church's an executed Confidentiality and Non-Disclosure Agreement in the form prescribed by Church's; **(h)** Franchisee will not acquire any interest in the System; and **(i)** Franchisee's use or duplication of the System or any part of the System in any other business would constitute an unfair method of competition for which Church's would be entitled to all legal and equitable remedies, including injunctive relief, without posting a bond.

(2) Franchisee shall not, during the Initial Term, any Renewal Term or for a period of two years thereafter (or with respect to trade secrets, during the Initial Term, any Renewal Term, or any time thereafter), communicate or disclose any trade secrets or confidential or proprietary information or know-how of the System to any unauthorized person or entity, or do or perform, directly or indirectly, any other acts injurious or prejudicial to any of the Proprietary Marks or the System. Any and all information, knowledge, know-how and techniques, including all drawings, materials, equipment, specifications, recipes, techniques and other data that Church's or its affiliates designate as confidential shall be deemed confidential for purposes of this Agreement.

D. Restrictions

(1) Franchisee acknowledges and agrees that: **(a)** pursuant to this Agreement, Franchisee will have access to valuable trade secrets, specialized training and confidential information from Church's and its affiliates regarding the development, operation, purchasing, sales and marketing methods and techniques of Church's and its affiliates and the System; **(b)** the System and the opportunities, associations and experience established and acquired by Franchisee under this Agreement are of substantial and material value; **(c)** in developing the System, Church's and its affiliates have made and continue to make substantial investments of time, technical and commercial research, and money; **(d)** Church's would be unable to adequately protect the System and its trade secrets and confidential and proprietary information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information among Church's Restaurants if franchisees were permitted to hold interests in competitive businesses; and **(e)** restrictions on Franchisee's right to hold interests in, or perform services for, competitive businesses will not hinder Franchisee's activities.

(2) Accordingly, Franchisee covenants and agrees that during the Initial Term and any Renewal Term, Franchisee shall not, either directly or indirectly, for itself or through, on behalf of, or in conjunction with any person or entity:

(a) divert or attempt to divert any business or customer, or potential business or customer, of any restaurant franchised or operated by Church's or its affiliates to any competitor by direct or indirect inducement or otherwise or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks or the System or;

(b) [intentionally deleted];

(c) [intentionally deleted]

(d) have an ownership interest in any restaurant business (other than a Church's Restaurant) that specializes in the sale of fried chicken.

(3) Franchisee further covenants that following the expiration or earlier termination of this Agreement, regardless of the cause for termination, Franchisee shall not, either directly or indirectly, for itself or through, on behalf of, or in conjunction with any person or entity:

(a) for a period of 2 years, have an ownership interest in any restaurant business (other than a Church's Restaurant) that specializes in the sale of fried chicken and that is **(i)** located at or within a 5-mile radius of the Franchised Location, or **(ii)** located within a 5-mile radius of any Church's Restaurant that is then in existence; or

(b) [intentionally deleted].

(4) Franchisee further covenants that following the expiration or earlier termination of this Agreement, regardless of the cause for termination, Franchisee shall not, either directly or indirectly, for itself or through, on behalf of, or in conjunction with any person or entity, for a period of 1 year, sell, assign, lease or transfer the Franchised Location to any person or entity which Franchisee knows, or has reason to know, intends to operate a restaurant business at the Franchised Location that specializes in the sale of chicken or has a method of operation or trade dress similar to that employed in the System. Franchisee, by the terms of any conveyance selling, assigning, leasing or transferring its interest in the Franchised Location, shall include these restrictive covenants as are necessary to ensure that a restaurant business that would violate this Section 17.D.(4) is not operated at the Franchised Location for this 1-year period, and Franchisee shall take all steps necessary to ensure that these restrictive covenants become a matter of public record.

(5) The restrictions in Sections 17.D.(2)(d) and 17.D.(3)(a) shall not apply to Franchisee's existing restaurant or foodservice operations, if any, which are identified in Schedule 1, nor shall they apply to other restaurants operated by Franchisee that are franchised by Church's or its affiliates. If a court finds that any restriction in Section 17.D. does not comply with O.C.G.A § 13-8-53, then pursuant to O.C.G.A. § 13-8-54, it is the intent of the parties that the court modify such restriction to the extent reasonably necessary to protect the legitimate business interests of Church's. If, at any time during the restrictive period following the expiration or earlier termination of this Agreement, Franchisee fails to comply with its obligations under this Section, that period of noncompliance will not be credited toward Franchisee's completion of the restrictive period.

E. Modification. Church's shall have the right, in its sole discretion, to reduce the extent of any covenant in this Section effective immediately upon Franchisee's receipt of notice, and Franchisee shall be bound by the covenant as so reduced, which shall be fully enforceable notwithstanding the provisions of Section 25.

18. TERMINATION

A. Termination without Cure Period. Church's may terminate this Agreement upon notice to Franchisee without an opportunity to cure upon the occurrence of any of the following events:

(1) Franchisee fails to open the Franchised Restaurant for business.

(2) Franchisee ceases operation of the Franchised Restaurant in breach of Section 17.A.

(3) Execution is levied against Franchisee's business or property at the Franchised Location; suit to foreclose any lien or mortgage against the premises or equipment of the Franchised Restaurant is instituted against Franchisee and is not dismissed within 60 days; or the real or personal property of the Franchised Restaurant is sold after levy by any sheriff, marshal or other governmental authority.

(4) Any Transfer applicable to the Franchised Location that requires Church's prior approval occurs without Franchisee having obtained that prior approval.

(5) Church's makes a reasonable determination that continued operation of the Franchised Restaurant by Franchisee will result in an imminent danger to public health or safety, or that operation of the Franchised Restaurant resulted in serious harm or death to a person.

(6) Franchisee loses possession of the Franchised Location.

(7) Franchisee fails or refuses to have its employees attend the training programs described in Section 8 or the Franchised Restaurant fails to achieve a passing score on the next Church's inspection after Franchisee's employees have completed the additional training program described in Section 10.E.

(8) Franchisee **(a)** remains in default beyond the applicable cure period under any real estate lease, equipment lease, or financing instrument relating to the Franchised Restaurant; **(b)** remains in default beyond the applicable cure period under any contract with any vendor or supplier to the Franchised Restaurant; or **(c)** fails to pay when due any taxes or assessments relating to the Franchised Restaurant or its employees, unless Franchisee is actively prosecuting or defending the claim or suit in a court of competent jurisdiction or by appropriate government administrative procedure or by arbitration or mediation conducted by a recognized alternative dispute resolution organization.

(9) Franchisee (or a majority owner of Franchisee) is insolvent or is unable to pay its creditors (including Church's); files a petition in bankruptcy, an arrangement for the benefit of creditors or a petition for reorganization; there is filed against Franchisee (or a majority owner of Franchisee) a petition in bankruptcy, an arrangement for the benefit of creditors or petition for reorganization, which is not dismissed within 60 days of the filing; Franchisee (or a majority owner of Franchisee) makes an assignment for the benefit of creditors; or a receiver or trustee is appointed for Franchisee (or a majority owner of Franchisee) and not dismissed within 60 days of the appointment.

(10) There is a material breach by Franchisee of any obligation under Section 17.

(11) Church's discovers that Franchisee made a material misrepresentation or omitted a material fact in the information that was furnished to Church's in connection with its decision to enter into this Agreement.

(12) Franchisee knowingly falsifies any report required to be furnished Church's or makes any material misrepresentation in its dealings with Church's or fails to disclose any material facts to Church's which Franchisee is required to disclose.

(13) Franchisee, the Operating Principal, any stockholder, member, partner, director or officer of Franchisee, any member of the Continuity Group or any 5% Owner is convicted of, or pleads no contest to, a felony charge, a crime involving moral turpitude, or any other crime or offense that is reasonably likely, in the sole opinion of Church's, to adversely affect Church's, its affiliates or the System.

(14) There is a material breach by Franchisee of any representation or warranty set forth in Section 30.G. or Section 30.H.

(15) Franchisee, any affiliate of Franchisee, the Operating Principal, any member of the Continuity Group or any 5% Owner remains in default beyond the applicable cure period under any other agreement (including, without limitation, the Development Agreement, any other Franchise Agreement, any Promissory Note or any Guaranty) with Church's or its affiliates (provided that, if the default is not by Franchisee, Church's provides to Franchisee a notice of the default and a 30-day period to cure the default).

(16) Church's inspection or audit reveals an understatement of Gross Sales of the Franchised Restaurant for any period by 2% or more 3 or more times during any 18-month period, or by more than 5% on any 1 occasion.

(17) The assets, property, or interests of Franchisee, any Continuity Group member or any guarantor are blocked under any law, ordinance, or regulation relating to terrorist activities, or Franchisee, any Continuity Group member or any guarantor otherwise violate any such law, ordinance, or regulation.

(18) Franchisee knowingly serves one or more food products obtained from an unapproved supplier or one or more food products containing an ingredient obtained from an unapproved supplier.

B. Termination Following Expiration of Cure Period

(1) Except for those items listed in Section 18.A., Franchisee shall have 30 days after notice of default from Church's within which to remedy the default and provide evidence of that remedy to Church's. If any such default is not cured within that time, Church's may terminate this Agreement upon notice of termination by Church's. Franchisee will be in default under this Agreement for any failure to materially comply with any of the requirements imposed by this Agreement, the Manual or otherwise in writing, or to carry out the terms of this Agreement in good faith.

(2) Notwithstanding the provisions of preceding Section 18.B.(1), if Franchisee defaults in the payment of any monies owed to Church's when such monies become due and payable and Franchisee fails to pay such monies within 10 days after receiving notice of default, then Church's may terminate this Agreement upon notice of termination by Church's.

(3) Notwithstanding anything to the contrary set forth in this Agreement, Franchisee acknowledges that any agreement between Franchisee and Church's relating to past due amounts accruing under this Agreement ("Arrearage Agreement"), including, but not limited to any promissory note, payment plan or amendment to this Agreement shall be deemed to be a material part of this Agreement and shall be incorporated in this Agreement by reference. A default under any Arrearage Agreement shall be deemed a material default of this Agreement, regardless of the reason Franchisee fails to pay the amount that is the subject of the Arrearage Agreement.

(4) Notwithstanding Section 18.B.(1), if Franchisee has received a notice of default within the previous 12 months, Church's shall be entitled to send Franchisee a notice of termination upon Franchisee's next default within that 12-month period, without providing Franchisee an opportunity to remedy the default.

(5) In addition to the other provisions of this Section 18.B., if Church's reasonably determines that Franchisee becomes or will become unable to meet its obligations to Church's or its affiliates under this Agreement, Church's may provide Franchisee notice to that effect and demand that Franchisee provide those assurances reasonably designated by Church's, which may include security or letters of credit for the payment of Franchisee's obligations to Church's and its affiliates. If Franchisee fails to provide the assurances demanded by Church's within 30 days after its receipt of notice from Church's, Church's may terminate this Agreement upon notice of termination of Church's.

C. Termination Following Inspection. Church's may terminate this Agreement, without opportunity to cure, if the Franchised Restaurant fails three inspections (according to Church's inspection system in effect at the time of each inspection) conducted by Church's or its agents within any rolling 12-month period.

D. Church's Right To Cure. If Franchisee breaches or defaults under any provision of this Agreement or fails to comply with the Manual, Church's may (but shall have no obligation to) take any action to cure such breach, default, or failure on Franchisee's behalf. Franchisee shall reimburse Church's for all reasonable costs and expenses incurred by Church's in taking such action. Church's shall have no liability to Franchisee for any loss or damage to Franchisee related to Church's actions under this Section 18.D., except to the extent caused by Church's gross negligence or willful misconduct. By way of example, should Franchisee, for any reason, fail to procure or maintain at least the insurance required by Section 12, as revised from time to time pursuant to the Manual or otherwise in writing, Church's shall have the immediate right and authority, but not the obligation, to procure such insurance and charge its cost to Franchisee.

19. OBLIGATIONS ON TERMINATION OR EXPIRATION

A. Franchisee's Obligations. Upon termination or expiration of this Agreement:

(1) Franchisee immediately shall pay Church's and its affiliates all sums due and owing Church's or its affiliates pursuant to this Agreement. Franchisee also immediately shall pay all sums owed to key suppliers and to any lender that has provided financing to Franchisee under an arrangement with Church's.

(2) Franchisee promptly shall return to Church's the Manual, any copies of the Manual, the training kit (if applicable), all computer software, disks, and other electronic storage media, and all other materials and information furnished by Church's pertaining to the Franchised Restaurant in good condition and repair.

(3) Franchisee and all persons and entities subject to the covenants contained in Section 17 shall continue to abide by those covenants and shall not, directly or indirectly, take any action that violates those covenants.

(4) Franchisee immediately shall: discontinue all use of the Proprietary Marks in connection with the Franchised Restaurant and of any and all items bearing the Proprietary Marks; remove the Proprietary Marks from the Franchised Restaurant and from clothing, signs, materials, motor vehicles and other items owned or used by Franchisee in the operation of the Franchised Restaurant; cancel all advertising for the Franchised Restaurant that contains the Proprietary Marks (including telephone directory listings); and take such action as may be necessary to cancel any filings or registrations for the Franchised Restaurant that contain any Proprietary Marks.

(5) Franchisee promptly shall make such alterations and modifications to the Franchised Location as may be necessary to clearly distinguish to the public the Franchised Location from its former appearance and also make those specific additional changes as Church's may request for that purpose, at Franchisee's expense. If Franchisee fails to promptly make these alterations and modifications, Church's shall have the right (at Franchisee's expense, to be paid upon Franchisee's receipt of an invoice from Church's) to do so without being guilty of trespass or other tort.

(6) Franchisee shall furnish to Church's, within 30 days after the effective date of termination or expiration of this Agreement, evidence (certified to be true and complete by the Operating Principal) satisfactory to Church's of Franchisee's compliance with Section 22.A.

B. Prohibition from Certain Conduct. Franchisee shall not, except with respect to a restaurant franchised by Church's or its affiliates which is then open and operating pursuant to an effective franchise agreement: **(1)** operate or do business under any name or in any manner that might tend to give the public the impression that Franchisee is connected in any way with Church's or its affiliates or has any right to use the System or the Proprietary Marks; or **(2)** make, use or avail itself of any of the materials or information furnished or disclosed by Church's or its affiliates under this Agreement or disclose or reveal any such materials or information or any portion thereof to anyone else.

C. Liquidated Damages. If Church's terminates this Agreement based upon Franchisee's default (or if Franchisee purports to terminate this Agreement), Franchisee shall pay to Church's a lump sum (as liquidated damages and not as a penalty) calculated as follows: (x) the average weekly Royalty Fees and advertising contributions that Franchisee owed to Church's under this Agreement for the 52-week period preceding the effective date of termination; multiplied by (y) the lesser of (1) 208 or (2) the number of weeks remaining in the then-current term of this Agreement. If Franchisee had not operated the

Franchised Restaurant for at least 52 weeks, (x) shall equal the average weekly Royalty Fees and advertising contributions that Franchisee owed to Church's during the period that Franchisee operated the Franchised Restaurant. Franchisee acknowledges that a precise calculation of the full extent of Church's damages under these circumstances is difficult to determine and the method of calculation of such damages as set forth in this Section is reasonable. Franchisee's payment to Church's under this Section shall be in lieu of any direct monetary damages that Church's may incur as a result of Franchisee's default; however, such payment shall be in addition to all amounts set forth in Section 19.A.(1) and any attorneys' fees and other costs and expenses to which Church's is entitled pursuant to Sections 3.I. or 27.E. Except as provided in this Section, Franchisee's payment of this lump sum shall be in addition to any other right or remedy that Church's may have under this Agreement.

20. OPTION TO PURCHASE

A. Upon the expiration or termination of this Agreement, for any reason, Church's shall have the option to purchase from Franchisee some or all of the assets used in the Franchised Restaurant ("Assets"), including, without limitation, leasehold improvements, equipment, vehicles, furnishings, fixtures, signs and inventory (non-perishable products, materials and supplies) used in the Franchised Restaurant, the real estate fee simple or the lease or sublease for the Franchised Location, as applicable, and any governmental approvals necessary to operate the Franchised Restaurant. If Church's intends to exercise its option, Church's must give notice to Franchisee within 30 days after the effective date of termination or expiration. Church's may assign this option to purchase the Assets to another person or entity. Church's or its assignee shall be entitled to all customary representations and warranties as to: **(1)** ownership, condition and title of the Assets; **(2)** liens and encumbrances on the Assets; **(3)** compliance with environmental laws at, in or upon the Franchised Location; and **(4)** validity of contracts and liabilities inuring to Church's or affecting the Assets, whether contingent or otherwise.

B. The purchase price for the Assets ("Purchase Price") shall be their fair market value (or for leased assets, the fair market value of Franchisee's lease) determined as of the effective date of purchase in a manner that accounts for reasonable depreciation and condition of the Assets; provided, however, that the Purchase Price shall take into account the termination of this Agreement. Further, the Purchase Price for the Assets shall not contain any factor or increment for any trademark, service mark or other commercial symbol used in connection with the operation of the Franchised Restaurant nor any goodwill or "going concern" value for the Franchised Restaurant. Church's may exclude from the Assets purchased in accordance with this Section any equipment, vehicles, furnishings, fixtures, signs, and inventory that are not approved as meeting then-current standards for a Church's Restaurant or for which Franchisee cannot deliver a bill of sale in a form satisfactory to Church's. Church's may set off against and reduce the Purchase Price by any and all amounts owed by Franchisee to Church's, and the amount of any encumbrances or liens against the Assets or any obligations assumed by Church's.

C. If Church's and Franchisee are unable to agree on the fair market value of the Assets within 30 days after Franchisee's receipt of Church's notice of its intent to exercise its option to purchase the Assets, the fair market value shall be determined by two professionally certified appraisers, Franchisee selecting one and Church's selecting one. If the valuations set by the two appraisers differ by more than 10%, the two appraisers shall select a third professionally certified appraiser who also shall appraise the fair market value of the Assets. The average value set by the appraisers (whether two or three appraisers as the case may be) shall be conclusive and shall be the Purchase Price.

D. The appraisers shall be given full access to the Franchised Restaurant, the Franchised Location and Franchisee's books and records during customary business hours to conduct the appraisal and shall value the leasehold improvements, equipment, furnishings, fixtures, signs and inventory in accordance with the standards of this Section. The appraisers' fees and costs shall be borne equally by Church's and Franchisee.

E. Within 10 days after the Purchase Price has been determined, Church's may exercise its option to purchase the Assets by so notifying Franchisee in writing ("Church's Purchase Notice"). The Purchase Price shall be paid in cash or cash equivalents at the closing of the purchase ("Closing"), which shall take place no later than 60 days after the date of Church's Purchase Notice. Church's may require Franchisee to close the Franchised Restaurant after the date of the Church's Purchase Notice without removing any Assets from the Franchised Restaurant. If Church's does not require such closing, then Franchisee shall operate the Franchised Restaurant and maintain the Assets in the usual and ordinary course of business and maintain in full force all insurance policies required under this Agreement, and Church's shall have the right to appoint a manager, at Church's expense, to control the day-to-day operations of the Franchised Restaurant. Franchisee shall cooperate, and instruct its employees to cooperate, with such manager appointed by Church's.

F. For a period of 30 days after the date of Church's Purchase Notice ("Due Diligence Period"), Church's shall have the right to conduct such investigations as it deems necessary and appropriate to determine: **(1)** the ownership, condition and title of the Assets; **(2)** liens and encumbrances on the Assets; **(3)** compliance with environmental laws at, in or upon the Franchised Location; **(4)** the validity of contracts and liabilities inuring to Church's or affecting the Assets, whether contingent or otherwise, and **(5)** such other matters of due diligence as Church's may determine. Franchisee will afford Church's and its representatives access to the Franchised Restaurant and the Franchised Location at all reasonable times for the purpose of conducting inspections of the Assets; provided that such access does not unreasonably interfere with Franchisee's operations of the Franchised Restaurant.

G. During the Due Diligence Period, at its sole option and expense, Church's may: **(1)** cause the title to the Assets that consist of real estate interests ("Real Estate Assets") to be examined by legal counsel or a title company of its selection and conduct lien searches as to the other Assets; **(2)** procure "as built" surveys of the Real Estate Assets; **(3)** procure environmental assessments and testing with respect to the Real Estate Assets; and/or **(4)** inspect the Assets other than Real Estate Assets (including leasehold improvements, equipment, vehicles, furnishings, fixtures, signs and inventory) to determine if such other Assets are in satisfactory working condition. Prior to the end of the Due Diligence Period, Church's shall notify Franchisee in writing of any objections that Church's has to any finding disclosed in any title to lien search, survey, environmental assessment or inspection. If Franchisee cannot or elects not to correct any such title defect, environmental objection or defect in the working condition of the Assets, Church's may either accept the condition of the Assets as they exist or rescind its option to purchase on or before the Closing.

H. Prior to the Closing, Franchisee and Church's shall comply with all applicable legal requirements, including any applicable bulk sales provisions of the Uniform Commercial Code of the state in which the Franchised Restaurant is located and the bulk sales provisions of any applicable tax laws and regulations. Franchisee shall, prior to or simultaneously with the Closing, pay all tax liabilities incurred in connection with the operation of the Franchised Restaurant prior to Closing.

I. If the Franchised Location is leased, Church's agrees to use reasonable efforts to effect a termination of the existing lease for the Franchised Location. If the lease for the Franchised Location is assigned to Church's or Church's subleases the Franchised Location from Franchisee, Church's will indemnify and hold Franchisee harmless from any ongoing liability under the lease from the date Church's assumes possession of the Franchised Location, and Franchisee will indemnify and hold Church's harmless from any liability under the lease prior to and including that date.

J. If Franchisee owns the Franchised Location, Church's, at its option, will either purchase the fee simple interest or upon purchase of the other Assets, enter into a lease with Franchisee on Church's then-standard form. The initial term of this lease with Franchisee shall be at least 10 years with two options to renew of 5 years each and the annual rent shall be equal to 6% of the Gross Sales of the Franchised Restaurant in the 52 weeks prior to termination.

K. At the Closing, Franchisee shall deliver instruments transferring to Church's or its assignee: **(1)** good and merchantable title to the Assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to Church's or its assignee), with all sales and other transfer taxes paid by Franchisee; **(2)** all licenses, permits, and other governmental authorizations for the Franchised Restaurant that may be assigned or transferred, with appropriate consents, if required; and **(3)** the lease or sublease for the Franchised Location, with appropriate consents, if required. If Franchisee cannot deliver clear title to all of the purchased Assets as indicated in this Section, or if there are other unresolved issues, the Closing shall be accomplished through an escrow.

21. RELATIONSHIP OF THE PARTIES

A. This Agreement does not create a fiduciary or other special relationship between the parties. No agency, employment, or partnership is created or implied by the terms of this Agreement, and Franchisee is not and shall not hold itself out as agent, legal representative, partner, subsidiary, joint venturer or employee of Church's or its affiliates. Franchisee shall have no right or power to, and shall not, bind or obligate Church's or its affiliates in any way or manner, nor represent that Franchisee has any right to do so.

B. Franchisee is an independent contractor and is solely responsible for all aspects of the development and operation of the Franchised Restaurant, subject only to the conditions and covenants established by this Agreement. Without limiting the generality of the foregoing, Franchisee acknowledges that Church's has no responsibility to ensure that the Franchised Restaurant is developed and operated in compliance with all applicable laws, ordinances and regulations and that Church's shall have no liability in the event the development or operation of the Franchised Restaurant violates any law, ordinance or regulation.

C. The sole relationship between Franchisee and Church's is a commercial, arms' length business relationship and, except as provided in <u>Section 22</u>, there are no third party beneficiaries to this Agreement. Franchisee's business is, and shall be kept, totally separate and apart from any that may be operated by Church's.

22. INDEMNIFICATION

A. Franchisee and all guarantors of Franchisee's obligations under this Agreement shall, at all times, indemnify, defend (with counsel reasonably acceptable to Church's), and hold harmless (to the fullest extent permitted by law) Church's and its affiliates, and their respective successors, assigns, past and present stockholders, directors, officers, employees, agents and representatives (collectively "Indemnitees") from and against all "losses and expenses" (as defined below) incurred in connection with any action, suit, proceeding, claim, demand, investigation, inquiry (formal or informal), judgment or appeal thereof by or against Indemnitees or any settlement thereof (whether or not a formal proceeding or action had been instituted), arising out of or resulting from or connected with **(1)** any training provided by Church's or its affiliates or another Church's franchisee, **(2)** any breach or default under this Agreement by Franchisee, **(3)** the operations of the Franchised Restaurant, or **(4)** any other action or omission by Franchisee or its employees or agents, except to the extent caused by the gross negligence or willful misconduct of Church's. Franchisee promptly shall give Church's notice of any such action, suit, proceeding, claim, demand, inquiry or investigation filed or instituted against Franchisee and shall furnish Church's with copies of any documents from such matters as Church's may request.

B. At Franchisee's expense and risk, Church's may elect to assume (but under no circumstances will Church's be obligated to undertake) the defense and/or settlement of any action, suit, proceeding, claim, demand, investigation, inquiry, judgment or appeal thereof subject to this indemnification. Such an undertaking shall, in no manner or form, diminish Franchisee's obligation to indemnify and hold harmless Church's and Indemnitees. Church's shall not be obligated to seek recoveries from third parties or otherwise mitigate losses.

C. As used in this Section, the phrase "losses and expenses" includes, but is not limited to, all losses; compensatory, exemplary and punitive damages; fines; charges; costs; expenses; lost profits; reasonable attorneys' fees; expert witness fees; court costs; settlement amounts; judgments; compensation for damages to Church's reputation and goodwill; costs of or resulting from delays; financing; costs of advertising material and media time/space and the costs of changing, substituting or replacing the same; and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

23. CONSENTS, APPROVALS AND WAIVERS

A. Whenever this Agreement requires the prior approval or consent of Church's, Franchisee shall make a timely written request to Church's therefore, and any approval or consent received, in order to be effective and binding upon Church's, must be obtained in writing and be signed by an authorized officer of Church's.

B. Church's makes no warranties or guarantees upon which Franchisee may rely by providing any waiver, approval, consent or suggestion to Franchisee in connection with this Agreement, and assumes no liability or obligation to Franchisee therefor, or by reason of any neglect, delay, or denial of any request therefor. Church's shall not, by virtue of any approvals, advice or services provided to Franchisee, assume responsibility or liability to Franchisee or to any third parties to which Church's would not otherwise be subject.

C. No failure of Church's to exercise any power reserved to it by this Agreement or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms of this Agreement, shall constitute a waiver of Church's right to demand exact compliance with any of the terms of this Agreement. A waiver by Church's of any particular default by Franchisee shall not affect or impair Church's rights with respect to any subsequent default of the same, similar or different nature; nor shall any delay, forbearance or omission of Church's to exercise any power or right arising out of any breach or default by Franchisee of any of the terms, provisions or covenants of this Agreement affect or impair Church's right to exercise the same; nor shall such constitute a waiver by Church's of any right hereunder or the right to declare any subsequent breach or default and to terminate this Agreement prior to the expiration of its term. Subsequent acceptance by Church's of any payments due to it hereunder shall not be deemed to be a waiver by Church's of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

24. NOTICES

Unless otherwise specified in this Agreement, no notice, demand, request or other communication to the parties shall be binding upon the parties or effective hereunder unless the notice is in writing, refers specifically to this Agreement and is addressed to: **(A)** if to Franchisee, addressed to Franchisee at the notice address set forth in Schedule 1; and **(B)** if to Church's, addressed to Cajun Global LLC, 980 Hammond

Drive, N.E., Suite 100, Atlanta, Georgia 30328-6161 (Attn: Office of General Counsel) (ogclegal@churchs.com). Any party may designate a new address for notices by giving written notice of the new address pursuant to this Section. Notices shall be effective upon receipt (or first rejection) and may be: **(1)** delivered personally; **(2)** transmitted by electronic mail to the address set forth above (or in Schedule 1); **(3)** mailed in the United States mail, with postage prepaid, by certified mail with return receipt requested; or **(4)** sent via overnight courier. Church's may amend the Manual, give binding notice of changes to the System, and deliver notices of default by electronic mail to the address set forth in Schedule 1.

25. ENTIRE AGREEMENT

This Agreement and the attachments hereto constitute the entire, full and complete agreement between the parties and supersede any and all prior or contemporaneous negotiations, discussions, understandings or agreements. There are no other representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Agreement other than those set forth in this Agreement and in the attachments to this Agreement. Nothing in this Agreement requires Franchisee to waive reliance on any representations made by Church's in its Franchise Disclosure Document that Church's furnished to Franchisee. No obligations or duties that contradict or are inconsistent with the express terms of this Agreement may be implied into this Agreement. Except as expressly set forth in this Agreement, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed in writing.

26. SEVERABILITY AND CONSTRUCTION

A. Each article, paragraph, subparagraph, term and condition of this Agreement, and any portions thereof, will be considered severable. If, for any reason, any portion of this Agreement is determined to be invalid, contrary to, or in conflict with, any applicable present or future law, rule or regulation in a final, unappealable ruling issued by any court, agency or tribunal with valid jurisdiction in a proceeding to which Church's is a party, that ruling will not impair the operation of, or have any other effect upon, any other portions of this Agreement; all of which will remain binding on the parties and continue to be given full force and effect.

B. Except as otherwise provided in Section 22, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or entity other than Franchisee and Church's and its affiliates and their permitted heirs, successors and assigns, 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 that is subsumed within the terms of any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions of this Agreement any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which Church's 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. No provision of this Agreement shall be interpreted in favor of, or against, any party because of the party that drafted this Agreement.

27. GOVERNING LAW, FORUM AND LIMITATIONS

A. This Agreement and any claim or controversy arising out of, or relating to, rights and obligations of the parties under this Agreement and any other claim or controversy between the parties shall be governed by and construed in accordance with the laws of the State of Georgia without regard to conflicts of laws principles; provided, however, that if the covenants contained in Section 17 would not be enforceable under the laws of Georgia, and the Franchised Restaurant is located outside of Georgia, then such covenants shall be interpreted and construed under the laws of the state where the Franchised Restaurant is located. Nothing in this Section is intended, or shall be deemed, to make any Georgia law regulating the offer or sale of franchises or the franchise relationship applicable to this Agreement if such law would not otherwise be applicable.

B. The parties agree that Franchisee shall file any suit against Church's only in the federal or state court having jurisdiction where Church's principal offices are located at the time suit is filed. Church's may file suit in the federal or state court located in the jurisdiction where its principal offices are located at the time suit is filed or in the jurisdiction where Franchisee resides or does business or where the Franchised Restaurant is or was located or where the claim arose. Franchisee consents to the personal jurisdiction of those courts over Franchisee and to venue in those courts.

C. Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or proceeding (including the offer and sale of a franchise to Franchisee) brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of 2 years after the initial occurrence of any act or omission that is the basis of the legal action or proceeding, whenever discovered.

D. FRANCHISEE AND CHURCH'S WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST EACH OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN THEM, EACH SHALL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY IT, AND FRANCHISEE AGREES THAT MONETARY DAMAGES PAYABLE BY CHURCH'S TO FRANCHISEE WITH RESPECT TO ANY LEGAL ACTION BETWEEN THEM (WHETHER THERE BE A SINGLE CLAIM OR MULTIPLE CLAIMS BY FRANCHISEE) SHALL NOT EXCEED THE AMOUNT OF ROYALTIES PAID BY FRANCHISEE TO CHURCH'S IN THE TWO YEARS PRIOR TO THE DATE THE PARTIES COMMENCED LEGAL ACTION. FRANCHISEE AND CHURCH'S WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO BRING, OR BE A CLASS MEMBER IN, ANY CLASS ACTION SUITS AND THE RIGHT TO TRIAL BY JURY.

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

F. Franchisee recognizes that its failure to comply with the terms of this Agreement, including, but not limited to, the failure to fully comply with all post-termination obligations, is likely to cause irreparable harm to Church's, its affiliates and the System. Therefore, Franchisee agrees that, in the event of a breach or threatened breach of any of the terms of this Agreement by Franchisee, Church's shall be entitled to injunctive relief (both preliminary and permanent) restraining that breach and/or to specific performance without showing or proving actual damages and without posting any bond or security. Any equitable remedies sought by Church's shall be in addition to, and not in lieu of, all remedies and rights that Church's otherwise may have arising under applicable law or by virtue of any breach of this Agreement.

G. No right or remedy conferred upon or reserved to Church's 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. The provisions of this Section 27 shall survive the expiration or earlier termination of this Agreement.

H. To the extent the provisions of this Agreement provide periods of notice less than those required by applicable law or provide for termination, cancellation, nonrenewal, transfer or succession other than in accordance with applicable law, such provisions shall, to the extent they are not in accordance with applicable law, be superseded by such law, but only to such extent.

28. CONTROL DURING CRISIS SITUATION

A. If an event occurs at the Franchised Restaurant that has, or may reasonably be expected to, cause harm or injury to customers, guests or employees (*i.e.*, food spoilage/poisoning, food tampering/sabotage, slip and fall injuries, natural disasters, robberies, shootings, etc.) or may damage the Proprietary Marks, the System or the reputation of Church's (collectively "Crisis Situation"), Franchisee shall: **(1)** immediately contact appropriate emergency care providers to assist it in curing the harm or injury; and **(2)** immediately inform Church's by telephone of the Crisis Situation. Franchisee shall refrain from making any internal or external announcements (*i.e.*, no communication with the news media) regarding the Crisis Situation (unless otherwise directed by Church's or public health officials).

B. To the extent Church's deems appropriate, in its sole and absolute discretion, Church's or its designee may control the manner in which the Crisis Situation is handled by the parties, including, without limitation, conducting all communication with the news media, providing care for injured persons and/or temporarily closing the Franchised Restaurant. The parties acknowledge that, in directing the management of any Crisis Situation, Church's or its designee may engage the services of attorneys, experts, doctors, testing laboratories, public relations firms and those other professionals as it deems appropriate. Franchisee and its employees shall cooperate fully with Church's or its designee in its efforts and activities in this regard and shall be bound by all further Crisis Situation procedures developed by Church's from time to time hereafter. The indemnification under Section 22 shall include all losses and expenses that may result from the exercise by Church's or its designee of the management rights granted in this Section 28.

29. MISCELLANEOUS

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

B. Captions. 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 of this Agreement.

C. Counterparts. This Agreement may be executed in counterparts, and each copy so executed and delivered shall be deemed an original.

D. Time. Time is of the essence of this Agreement for each provision in which time is a factor. Whenever this Agreement refers to a period of days or months, the first day or month to be counted shall be the day or month of the designated action, event or notice. Days shall be measured by calendar days, except that if the last day of a period is a Saturday, Sunday or national holiday, the period automatically shall be extended to the next day that is not a Saturday, Sunday or national holiday.

E. Delegation. Church's may delegate the performance of any portion or all of its rights, obligations and duties under this Agreement to designees, whether affiliates or agents of Church's or independent contractors with which Church's has contracted to provide this service. Such obligations and duties may include, but are not limited to, fulfilling all of Church's obligations to Franchisee, offering and negotiating renewal franchise agreements and otherwise furnishing assistance to Franchisee.

30. REPRESENTATIONS

Franchisee represents, acknowledges and warrants to Church's (and Franchisee agrees that these representations, acknowledgments and warranties shall survive termination of this Agreement) that:

A. This Agreement involves significant legal and business rights and risks. Church's does not guarantee Franchisee's success. Franchisee has read this Agreement in its entirety, conducted an independent investigation of the business contemplated by this Agreement, has been thoroughly advised with regard to the terms and conditions of this Agreement by legal counsel or other advisors of Franchisee's choosing, recognizes that the nature of the business conducted by Church's Restaurants may change over time, has had ample opportunity to investigate all representations made by or on behalf of Church's, and has had ample opportunity to consult with current and former franchisees of Church's. The prospect for success of the business undertaken by Franchisee is speculative and depends to a material extent upon Franchisee's personal commitment, capability and direct involvement in the day-to-day management of the business.

B. Church's assumes no liability or responsibility for: **(1)** evaluation of the Franchised Location's soil for hazardous substances; **(2) i**nspection of any structure on the Franchised Location for asbestos or other toxic or hazardous materials; **(3)** compliance with the Americans with Disabilities Act or similar state laws ("ADA"); or **(4)** compliance with any other law. It is Franchisee's sole responsibility to obtain satisfactory evidence and/or assurances that each Franchised Location (and any structures thereon) is free from environmental contamination and in compliance with the requirements of ADA.

C. Franchisee shall not rely upon any opinions expressed by Church's or any of its officers, directors, stockholders, employees or agents regarding structural integrity, safety or construction procedures, building codes or ordinances or other matters properly within the responsibility of Franchisee and its architect. The duties of Church's construction representatives are limited solely to ensuring that development plans and other requirements under this Agreement are met. Church's and its employees do not act as an architect or agent of Franchisee. Church's assumes no liability or responsibility for architectural or engineering plans or judgments outside the scope of the duties stated above. Church's final inspection and authorization to open the Franchised Restaurant is not a representation or a warranty that the Franchised Restaurant has been constructed in accordance with any architectural, engineering or legal standards for design or workmanship. It merely means that Church's is satisfied that the minimum requirements which Church's has established for consistency of design and layout have been met. Franchisee agrees that Church's final inspection and authorization to open the Franchised Restaurant shall not impose any liability or responsibility on Church's.

D. Church's makes no express or implied warranties or representations that Franchisee will achieve any degree of success in the development or operation of the Franchised Restaurant and that success in the development and operation of the Franchised Restaurant depends ultimately on Franchisee's efforts and abilities and on other factors, including, but not limited to, market and other economic conditions, Franchisee's financial condition and competition.

E. Church's has entered, and will continue to enter, into agreements with other franchisees. The manner in which Church's enforces its rights and the franchisees' obligations under any of those other agreements shall not affect the ability of Church's to enforce its rights or Franchisee's obligations under this Agreement.

F. Church's may change or modify the System, from time to time, including the Manual, and Franchisee will be required to make such expenditures as such changes or modifications in the System may require. As part of the System, Franchisee is required to purchase supplies only from vendors approved by Church's.

G. All information Franchisee provided to Church's in connection with Franchisee's franchise application and Church's grant of this Franchise is truthful, complete and accurate.

H. The persons signing this Agreement on behalf of Franchisee have full authority to enter into this Agreement and the other agreements contemplated by the parties. Execution of this Agreement or such other agreements by Franchisee does not and will not conflict with or interfere with, directly or indirectly, intentionally or otherwise, with the terms of any other agreement with any other third party to which Franchisee or any person with an ownership interest in Franchisee is a party.

I. Franchisee has not received from Church's or its affiliates, or anyone acting on their behalf, any representation of Franchisee's potential sales, expenses, income, profit or loss.

J. Franchisee has not received from Church's or its affiliates, or anyone acting on their behalf, any representations other than those contained in Church's Franchise Disclosure Document as inducements to enter this Agreement.

K. Even though this Agreement contains provisions requiring Franchisee to operate the Franchised Restaurant in compliance with the System: **(1)** Church's and its affiliates do not have actual or apparent authority to control the day-to-day conduct and operation of Franchisee's business or employment decisions; and **(2)** Franchisee and Church's do not intend for Church's or its affiliates to incur any liability in connection with or arising from any aspect of the System or Franchisee's use of the System, whether or not in accordance with the requirements of the Manual.

L. In the event of a dispute between Church's and Franchisee, the parties have waived their right to a jury trial.

M. Neither Franchisee nor any of member of the Continuity Group or any guarantor **(1)** have been designated as suspected terrorists under U.S. Executive Order 13244 or any similar law; **(2)** are identified, either by name or an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control; or **(3)** have violated (and Franchisee and its Continuity Group members and guarantors commit to not violate in the future) any law (in effect now or which may become effective in the future) prohibiting corrupt business practices, money laundering or the aid or support of persons who conspire to commit acts of terror against any person or government, including acts prohibited by U.S. Executive Order 13244, the Foreign Corrupt Practices Act, or any similar law.

N. **Business Judgment.** Franchisee understands and agrees that Church's may operate and change the System and its business in any manner that is not expressly and specifically prohibited by this Agreement. Whenever Church's has expressly reserved in this Agreement or is deemed to have a right and/or discretion to take or withhold an action, or to grant or decline to grant Franchisee a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, Church's may make such decision or exercise its right and/or discretion on the basis of Church's judgment of what is in Church's best interests, including, without limitation, Church's judgment of what is in the best interests of the franchise network at the time Church's decision is made or its right or discretion is exercised, without regard to whether: **(1)** other reasonable alternative decisions or actions, or even arguably preferable alternative decisions or actions, could have been made by Church's; **(2)** Church's decision or the action taken promotes Church's financial or other individual interest; **(3)** Church's decision or the action taken applies differently to Franchisee and one or more other franchisees or Church's company-owned or affiliate-owned operations; or **(4)** Church's decision or the exercise of its right or discretion is adverse to Franchisee's interests. In the absence of an applicable statute, Church's will have no liability to Franchisee for any such decision or action. Church's and Franchisee intend that the exercise of Church's right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, Church's and Franchisee agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants Church's the right to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisee's rights and obligations hereunder.

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ____________________________________
Print Name:_______________________________
Title:____________________________________
Date: ___________________________________

FRANCHISEE:

____

By: ____________________________________
Print Name:_____________________________
Title:___________________________________
Date: __________________________________

<u>SCHEDULE 1</u>

FRANCHISE INFORMATION

1. **<u>Franchised Location (Section 1.A.(1))</u>:**

2. **<u>Protected Area (Section 1.B.(1) of Franchise Agreement)</u>:** Two-mile radius, as measured by Church's, around the Franchised Location.

3. **<u>Initial Franchise Fee (Section 3.A.)</u>:**

4. **<u>Landlord Contact Information (Section 4.G.):</u>**

Name of Company:
Contact Person:
Address:
Telephone:
Fax:
Email:

☐ Franchised Location is owned by Franchisee.

5. **<u>Interests in Other Restaurants that Specialize in the Sale of Fried Chicken (Section 17.D.(5))</u>:**
____
____

6. **<u>Franchisee's Physical Address (no P.O. Box) (Section 24)</u>:**

7. **<u>Franchisee's E-mail Address (Section 24)</u>:**

SCHEDULE 2

LISTING OF OWNERSHIP INTERESTS IN FRANCHISEE

Name of Franchisee:«Restaurant_Franchisee_Name»

Effective Date: This Schedule 2 is current and complete as of ______________________________ (date franchisee completes form).

1. Form of Ownership.

If Franchisee is an entity, please fill out the below information.

Corporation, Limited Liability Company, or Partnership. Franchisee is a ______________________ (type of entity) incorporated or formed on ______________________ (date of incorporation/formation), under the laws of ______________________ (state of incorporation/formation). The following is a list, as applicable, of the Franchisee's directors and/or officers as of the effective date shown above:

Name of Each Director or Officer	Position(s) Held

2. Owners. The following list includes the full name of each person who is an owner of a legal or beneficial interest in Franchisee (a shareholder, member or partner), and the percentage of ownership each holds (attach additional pages if necessary).

Name/Address (no P.O. Box)	Percentage Interest
________________________ ________________________	
________________________ ________________________	
________________________ ________________________	
________________________ ________________________	

3. Operating Principal. Franchisee's Operating Principal as of the Effective Date is _______________ (Name of individual designated per Section 13.G above).

4. Continuity Group. Franchisee's Continuity Group (owners of at least 51% of Franchisee) is comprised of the following persons or entities:

____

(name of person or persons holding at least 51% of stock, membership interest or limited partnership interest in Franchisee, per Section 13.E above).

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Schedule 2 as of the day and year set forth below.

____
(Name of Franchisee)

By: ____________________________________
Name:____________________________________
Title: ____________________________________
Date: ____________________________________

FORM A

FRANCHISE AGREEMENT EXPIRATION DATE

TO: ______________________________________

The Franchised Restaurant located at _____________________________________ (Restaurant No. __________________) first opened for business on ____________________. The Initial Term of the Franchise Agreement for the Franchised Restaurant commenced on ______________________ and expires on _______________________. If Franchisee desires to renew the Franchise Agreement, Franchisee must give Church's notice no earlier than _____________________ (12 months before the expiration date of the Franchise Agreement) and no later than ________________________ (6 months before the expiration date).

CAJUN GLOBAL LLC

By: ___________________________________
Print Name:___________________________
Title:_______________________________
Date: __________________________________

EXHIBIT A
GUARANTY AGREEMENT
(Franchise Agreement)

This Guaranty Agreement (this "Guaranty") is executed by _________________, a resident of ______________ ("Guarantor") in favor of Cajun Global LLC, a Delaware limited liability company, d/b/a Church's Chicken ("Church's").

Recitals

A. __________________________________ ("Franchisee") has entered into a Franchise Agreement dated ____________________________ with Church's (the "Agreement"; capitalized terms used in this Guaranty but not defined herein have the meanings given in the Agreement).

B. Guarantor owns an equity interest in Franchisee, and as such is a direct beneficiary of the Agreement.

C. In order to induce Church's to execute the Agreement, Guarantor desires to guarantee the obligations of Franchisee to Church's as set forth herein.

NOW THEREFORE, in consideration of Church's execution of the Agreement, as well as the agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor agrees as follows:

1. Guaranty. Guarantor hereby unconditionally guarantees to Church's and its successors and assigns that Franchisee shall pay and perform every undertaking, agreement and covenant set forth in the Agreement and further guarantees every other liability and obligation of Franchisee to Church's, whether or not contained in the Agreement. Guarantor shall render any payment or performance required under the Agreement or any other agreement between Franchisee and Church's upon demand from Church's.

2. Waiver. Guarantor waives (a) acceptance and notice of acceptance by Church's of this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations of Franchisee; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right Guarantor may have to require that an action be brought against Franchisee or any other person or entity as a condition of liability hereunder; (e) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the execution of and performance under this Guaranty by the undersigned; (f) any law or statute which requires that Church's make demand upon, assert claims against or collect from Franchisee or any other person or entity (including any other guarantor), foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Franchisee or any other person or entity (including any other guarantor) prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guaranty; and (g) any and all other notices and legal or equitable defenses to which Guarantor may be entitled.

3. Confidentiality.

(a) Guarantor acknowledges and agrees that: (i) Church's owns all right, title and interest in and to the System; (ii) the System consists of trade secrets and confidential and proprietary information and know-how (including, but not limited to, drawings, materials, equipment, recipes, prepared mixtures or blends of spices or other food products and other data which Church's deems confidential) that gives Church's and its affiliates a competitive advantage; (iii) Church's and its affiliates have taken all measures necessary to protect the trade secrets and the confidentiality of the proprietary information and know-how comprising the System; (iv) all material or other information now or hereafter provided or disclosed to Guarantor regarding the System is disclosed in confidence; (v) Guarantor will not acquire any interest in the System; and (vi) Guarantor's use or duplication of the System or any part of the System in any other business would constitute an unfair method of competition, for which Church's would be entitled to all legal and equitable remedies, including injunctive relief, without posting a bond.

(b) Guarantor shall not, during the Initial Term, any Renewal Term, or for a period of two years after the expiration or termination of the Franchise Agreement (or with respect to trade secrets, during the Initial Term, any Renewal Term, or any time thereafter), communicate or disclose any trade secrets or confidential or proprietary information or know-how of the System to any unauthorized person or entity, or do or perform, directly or indirectly, any other acts injurious or prejudicial to any of the Proprietary Marks or the System. Any and all information, knowledge, know how and techniques, including all drawings, materials, equipment, specifications, recipes, techniques and other data that Church's or its affiliates designate as confidential shall be deemed confidential for purposes of this Guaranty.

4. Covenants.

(a) During the Initial Term and any Renewal Term, Guarantor shall not, either directly or indirectly, for Guarantor, or through, on behalf of, or in conjunction with any person or entity:

(i) divert or attempt to divert any business or customer, or potential business or customer, of any restaurant franchised or operated by Church's or its affiliates to any competitor, by direct or indirect inducement or otherwise or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks or the System;

(ii) knowingly employ or seek to employ any person then employed by Church's or any franchisee of Church's, or otherwise directly or indirectly induce such person to leave his or her employment, without Church's prior consent;

(iii) knowingly employ or seek to employ any person employed by Church's or any franchisee of Church's for six (6) months after such person leaves the employ of Church's or any franchisee of Church's, without Church's prior consent; or

(iv) have an ownership interest in any restaurant business (other than a Church's Restaurant) that specializes in the sale of fried chicken.

(b) Following the expiration or earlier termination of the Agreement, regardless of the cause for termination, Guarantor shall not, either directly or indirectly, for Guarantor, or through, on behalf of, or in conjunction with any person or entity:

(i) for a period of two years, have an ownership interest in any restaurant business (other than a Church's Restaurant) that specializes in the sale of fried chicken and that is located or within a 5-mile radius of the Franchised Location or located within a 5-mile radius of the location of any Church's Restaurant that is then in existence; or

(ii) for a period of one year, employ or seek to employ any person who is, at the time, employed by Church's or by any other Church's franchisee, or otherwise, directly or indirectly, induce such person to leave his or her employment, without Church's prior consent.

(c) The restrictions in Sections 4(a)(iv) and 4(b)(i) shall not apply to Franchisee's existing restaurant or foodservice operations, if any, which are identified in Schedule 1 to the Agreement, nor shall such restrictions apply to other restaurants operated by Franchisee that are franchised by Church's or its affiliates. If a court finds that any restriction in Section 4(a) or 4(b) does not comply with O.C.G.A § 13-8-53, then pursuant to O.C.G.A. § 13-8-54, it is the intent of the parties that the court modify such restriction to the extent reasonably necessary to protect the legitimate business interests of Church's. If, at any time during the restrictive period following the expiration or earlier termination of the Agreement, Guarantor fails to comply with Guarantor's obligations under this Section, that period of noncompliance will not be credited toward Guarantor's completion of the restrictive period.

(d) Following the expiration or earlier termination of the Agreement, regardless of the cause for termination, Guarantor shall not, either directly or indirectly, for Guarantor, or through, on behalf of, or in conjunction with any person or entity, for a period of 1 year, sell, assign, lease or transfer the Franchised Location to any person or entity which Guarantor knows, or has reason to know, intends to operate a restaurant business at the Franchised Location that specializes in the sale of chicken or has a method of operation or trade dress similar to that employed in the System. Guarantor, by the terms of any conveyance selling, assigning, leasing or transferring its interest in the Franchised Location, shall include these restrictive covenants as are necessary to ensure that a restaurant business that would violate this Section is not operated at the Franchised Location for this 1-year period, and Franchisee shall take all steps necessary to ensure that these restrictive covenants become a matter of public record.

(e) Church's shall have the right, in its sole discretion, to reduce the extent of any covenant in this Section effective immediately upon Guarantor's receipt of notice, and Guarantor shall be bound by the covenant as so reduced.

5. Modification of Agreement. Guarantor agrees that Guarantor's liability hereunder shall not be diminished, relieved or otherwise affected by (a) any amendment of the Agreement, (b) any extension of time, credit or other indulgence which Church's may from time to time grant to Franchisee or to any other person or entity, or (c) the acceptance of any partial payment or performance or the compromise or release of any claims.

6. Governing Law and Jurisdiction.

(a) This Guaranty and any claim or controversy arising out of, or relating to, rights and obligations of the parties under this Guaranty and any other claim or controversy between the parties shall be governed by and construed in accordance with the laws of the State of Georgia without regard to conflicts of laws principles. Nothing in this Section is intended, or shall be deemed, to make any Georgia law regulating the offer or sale of franchises or the franchise relationship applicable to this Guaranty if such law would not otherwise be applicable.

(b) Church's may file suit in the federal or state court located in the jurisdiction where its principal offices are located at the time suit is filed or in the jurisdiction where Guarantor resides or does business or where the Franchised Restaurant is or was located or where the claim arose. Guarantor consents to the personal jurisdiction of those courts over Guarantor and to venue in those courts.

7. Miscellaneous. This Guaranty shall inure to the benefit of and be binding upon the parties and their respective heirs, legal representatives, successors and assigns. Church's may assign this Guaranty, in whole or in part. Any assignment shall not release the undersigned from this Guaranty. If more than one person signs this Guaranty as guarantor, then the liability of each such guarantor shall be joint and several, and the covenants in Sections 3 and 4 shall apply to each guarantor individually. This Guaranty shall continue in full force and effect until expressly released by Church's.

IN WITNESS WHEREOF, the undersigned has/have executed and delivered this Agreement as of the dates set forth below.

WITNESS:	**GUARANTOR:**
______________________________	____
Name: ________________________	Name:________________________________
	Address:______________________________
	______________________________
	______________________________
	Date: ___________________________________

EXHIBIT D

AMENDMENT TO FRANCHISE AGREEMENT FOR CONVENIENCE STORES AND TRAVEL PLAZAS

AMENDMENT TO CHURCH'S CHICKEN
FRANCHISE AGREEMENT
FOR CONVENIENCE STORES AND TRAVEL PLAZAS

This Amendment to the Church's Chicken Franchise Agreement dated this _____ day of _________________, 20__, between Cajun Global LLC, d/b/a Church's Chicken, a Delaware limited liability company ("Church's"), and _________________, a ____________ _______________ ("Franchisee"), is entered into simultaneously with the execution of the Franchise Agreement.

RECITALS:

A. Church's and Franchisee have entered into the Franchise Agreement, pursuant to which Franchisee is authorized to operate the Franchised Restaurant at the Franchised Location. Since the Franchised Restaurant will be operated in connection with the operation of a gasoline station, truck stop and/or convenience store, certain provisions of the Franchise Agreement will not be applicable to the Franchised Restaurant and its operation, and certain other provisions need to be added to the Franchise Agreement to govern the Franchised Restaurant and its operation.

B. In light of the other business(es) operated in proximity to the Franchised Restaurant, Church's and Franchisee are entering into this Amendment to modify the Franchise Agreement as set forth in this Amendment.

NOW THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Franchise Agreement as follows:

1. The following new Subsection 1.A.(3) is added to the end of Section 1.A.:

> (3) The Franchised Restaurant is part of a larger site ("Facility") at the street address specified in attached Appendix A. In addition to the Franchised Restaurant, Franchisee and/or its affiliates operate those other businesses at the Facility identified in Appendix A.

2. If Franchisee operates a gasoline station at the Facility pursuant to a contract with a third party, as identified in Appendix A ("Supplier"), for the supply and subsequent sale of petroleum products ("Supply Contract"), the following is added immediately prior to the period at end of the first sentence of Section 2.A.:

> , or upon the expiration or earlier termination of the Supply Contract if Franchisee fails to enter into a new contract for the supply and subsequent sale of petroleum products with Supplier or another third party.

3. The following sentence is added to the end of Section 3.D.:

> Gross Sales shall also not include: (1) any revenue derived from any business operated by Franchisee at the Facility other than the Franchised Restaurant, or (2) beverages sold at the Facility in containers not bearing the Proprietary Marks (beverages sold in containers bearing the Proprietary Marks shall be included in Gross Sales).

4. The following sentence is added to the end of Sections 4.B., 4.C., and 4.D.:

> The financial information that Franchisee is required to submit under this Section shall be limited to the operation of the Franchised Restaurant.

5. The following is added to the end of Section 10.C.(1):

> Franchisee must use computer hardware and software that is capable of providing to Church's information, in such format and medium as Church's reasonably may specify from time to time, that segregates the sales at the Franchised Restaurant from the sales of any other business operated by Franchisee at the Facility.

6. Section 10.E.(1)(a) is deleted and replaced with the following:

> (a) inspect the Franchised Restaurant;

7. The following sentence is added to the end of Section 10.F.(1):

> Franchisee shall maintain the other businesses operated at the Facility in first class condition and repair.

8. The following sentence is added to the end of Section 10.G.(1):

> Notwithstanding the foregoing, if all other businesses at the Facility are temporarily not operating, then Franchisee will not be required to operate the Franchised Restaurant during such temporary period.

9. The last sentence of Section 10.I. is deleted and replaced with the following:

> Church's has the right to approve (to be granted or withheld in Church's sole discretion) all Church's signage at the Facility. Unless otherwise approved by Church's (in its sole discretion) all Church's signage shall be of a size at least equal to that of the signage for any other business at the Facility. Franchisee shall not display any sign, logo or advertising media to which Church's objects as being inconsistent with the image of Church's or the System.

10. The following new Subsection (8) is added to Section 12.B.:

(8) If alcoholic beverages are sold at the Facility, Franchisee shall maintain Dram Shop coverage and Liquor Liability coverage for bodily injury and property damage with policy limits of not less than $1,000,000.

11. Section 13.A.(d) is deleted.

12. The following sentence is added after the second sentence of the first paragraph of Section 15.B.:

> Church's may refuse to approve a proposed Transfer if Franchisee and its affiliates do not propose to simultaneously transfer (to the same transferee) the same interest in the other business(es) at the Facility that Franchisee proposes to Transfer with respect to this Agreement, the Franchise, the Franchised Restaurant or the Franchised Location.

13. Section 15.H. is deleted.

14. The following sentence is added to the end of Section 17.D.(2)(a):

> Notwithstanding the foregoing, the operation by Franchisee of other restaurants at or from the Facility that do not specialize in the sale of chicken shall not, in and of itself, be deemed to constitute a diversion of business or customers from the Franchised Restaurant to a competitor.

15. The following new Subsection (19) is added to Section 18.A.:

(19) Franchisee fails to record separately the sales of Church's menu items and promotional items approved for sale in Church's Restaurants at the Franchised Restaurant from the sales of any other business operated by Franchisee at the Facility as set forth in Section 10.C.(1).

16. The first sentence of Section 22.A. is amended by inserting, immediately after the phrase "the operations of the Franchised Restaurant," the phrase "or any other activity or business any at the Facility."

17. If Franchisee operates a gasoline station at the Facility, Franchisee shall provide Church's upon request a complete and accurate copy of its Supply Contract, and a copy of all amendments to, and assignments of, the Supply Contract and all notices of default sent to Franchisee pertaining to the Supply Contract.

18. Any capitalized terms that are not defined in this Amendment shall have the meaning given them in the Franchise Agreement.

19. Except as modified by the Amendment, the Franchise Agreement remains unmodified and in full force and effect.

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ___________________________________
Name: ________________________________
Title: _________________________________
Date: _________________________________

By: ___________________________________
Name: ________________________________
Title: _________________________________
Date: _________________________________

FRANCHISEE:

____

By: ___________________________________
Name: ________________________________
Title: _________________________________
Date: _________________________________

APPENDIX A

1. Address of the Facility: ____
____
____
____

2. Other Businesses Operated by Franchisee and/or its Affiliates at the Facility: __________
____
____
____

3. Supplier: ____

EXHIBIT E

AMENDMENT TO FRANCHISE AGREEMENT FOR CO-BRANDED RESTAURANTS

AMENDMENT TO CHURCH'S CHICKEN FRANCHISE AGREEMENT FOR CO-BRANDED RESTAURANTS

This Amendment to the Church's Chicken Franchise Agreement dated _______________20__, between Cajun Global LLC, d/b/a Church's Chicken, a Delaware limited liability company ("Church's"), and _________________, a ____________ _______________ ("Franchisee"), is entered into simultaneously with the execution of the Franchise Agreement.

RECITALS:

A. Church's and Franchisee have entered into the Franchise Agreement, pursuant to which Franchisee is authorized to operate the Franchised Restaurant at the Franchised Location. Since the Franchised Restaurant will be operated in connection with the operation of a co-branded restaurant (the "Co-Branded Business"), certain provisions of the Franchise Agreement will not be applicable to the Franchised Restaurant and its operation, and certain other provisions need to be added to the Franchise Agreement to govern the Franchised Restaurant and its operation.

B. In light of the proximity of the Co-Branded Business to the Franchised Restaurant, Church's and Franchisee are entering into this Amendment to modify the Franchise Agreement as set forth in this Amendment.

NOW THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Franchise Agreement as follows:

1. The following new Subsection 1.A.(3) is added to the end of Section 1.A.:

    (3) The Franchised Restaurant is part of a larger site ("Facility") at the street address specified in attached Appendix A.

    In addition to the Franchised Restaurant, Franchisee and/or its affiliates operate the Co-Branded Businesses at the Facility identified in Appendix A.

2. The following sentence is added to the end of Section 3.D.:

    Gross Sales shall also not include: (1) any revenue derived from any business operated by Franchisee at the Facility other than the Franchised Restaurant, or (2) beverages sold at the Facility in containers not bearing the Proprietary Marks (beverages sold in containers bearing the Proprietary Marks shall be included in Gross Sales).

3. The following sentence is added to the end of Sections 4.B., 4.C., and 4.D.:

> The financial information that Franchisee is required to submit under this Section shall include the operation of the Co-Branded Restaurant.

4. The following is added to the end of Section 9.C.:

> Church's shall be permitted to inspect the Co-Branded Business for the sole purpose of insuring that the Co-Branded Business is in first class condition and repair. Such inspections of the Co-Branded Business shall take place with prior notice from Church's.

5. The following is added to the end of Section 10.C.(1):

> Franchisee must use computer hardware and software that is capable of providing to Church's information, in such format and medium as Church's reasonably may specify from time to time, that segregates the sales at the Franchised Restaurant from the sales of the Co-Branded Restaurant operated by Franchisee at the Facility.

6. Section 10.E.(1)(a) is deleted and replaced with the following:

> (a) inspect the Franchised Restaurant;

7. The following sentence is added to the end of Section 10.F.(1):

> Franchisee shall maintain the Co-Branded Business in first class condition and repair.

8. The following new Subsection 10.G.(3) is added to the end of Section 10.G.:

> (3) If the Facility has two drive-thru windows, one will be dedicated to the Franchised Restaurant and one will be dedicated to service of products related to the Co-Branded Business. If the Facility has only one drive thru then it will be dedicated to the Franchised Restaurant. No products of the Co-Branded Business may be delivered to customers through the drive-thru window dedicated to the Franchised Business.

9. The last sentence of Section 10.I. is deleted and replaced with the following:

> Church's has the right to approve (to be granted or withheld in Church's sole discretion) all Church's signage at the Facility. Unless otherwise approved by Church's (in its sole discretion) all Church's signage shall be of a size at least equal to that of the signage for any other business at the Facility. Franchisee shall not display any sign, logo or advertising media to

which Church's objects as being inconsistent with the image of Church's or the System.

10. The following new Subsection (8) is added to Section 12.B.:

(8) If alcoholic beverages are sold at the Facility, Franchisee shall maintain Dram Shop coverage and Liquor Liability coverage for bodily injury and property damage with policy limits of not less than $1,000,000.

11. The following sentence is added after the second sentence of the first paragraph of Section 15.B.:

Church's may refuse to approve a proposed Transfer if Franchisee and its affiliates do not propose to simultaneously transfer (to the same transferee) the same interest in the Co-Branded Business at the Facility that Franchisee proposes to Transfer with respect to this Agreement, the Franchise, the Franchised Restaurant or the Franchised Location.

12. Section 15.H. is deleted.

13. The following sentence is added to the end of Section 17.D.(2)(a):

Notwithstanding the foregoing, the operation by Franchisee of other restaurants at or from the Facility that do not specialize in the sale of chicken shall not, in and of itself, be deemed to constitute a diversion of business or customers from the Franchised Restaurant to a competitor.

14. The following new Subsection (20) is added to Section 18.A.:

(20) Franchisee fails to record separately the sales of Church's menu items and promotional items approved for sale in Church's Restaurants at the Franchised Restaurant from the sales of the Co-Branded Business operated by Franchisee at the Facility as set forth in Section 10.C.(1).

15. The first sentence of Section 22.A. is amended by inserting, immediately after the phrase "the operations of the Franchised Restaurant," the phrase "or any other activity or business any at the Facility."

16. Franchisee shall provide Church's a copy of any franchise agreement it is a party to with regard to the Co-Branded Business and all amendments to, and assignments of such franchise agreement and all notices of default sent to Franchisee pertaining to Co-Branded Business.

17. Any capitalized terms that are not defined in this Amendment shall have the meaning given them in the Franchise Agreement.

18. Except as modified by the Amendment, the Franchise Agreement remains unmodified and in full force and effect.

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ________________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

FRANCHISEE:

____

By: ________________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

APPENDIX A

1. Address of the Facility: ____
____
____
____

2. Other Businesses Operated by Franchisee and/or Its Affiliates at the Facility: __________
____
____
____

EXHIBIT F

RENEWAL ADDENDUM

ADDENDUM TO CHURCH'S CHICKEN
FRANCHISE AGREEMENT
(FOR RENEWAL TERM)

This Addendum to the Church's Chicken Franchise Agreement dated _______________20__, between Cajun Global LLC, d/b/a Church's Chicken, a Delaware limited liability company ("Church's"), and _________________, a ____________ _______________ ("Franchisee"), is entered into simultaneously with the execution of a new Franchise Agreement dated _____________________ (the "Franchise Agreement") for a renewal term.

RECITALS:

A. Upon exercise of Franchisee's renewal option, Church's and Franchisee have entered into the Franchise Agreement, pursuant to which Franchisee is authorized to operate the Franchised Restaurant at the Franchised Location for a renewal term.

B. The parties wish to enter into this Addendum to modify the terms of the Franchise Agreement for the renewal term.

NOW THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to modify the Franchise Agreement as follows:

1. Section 6 of the Recitals is deleted and all subsequent Recitals renumbered.

2. Section 2.A of the Agreement is deleted (and all subsequent subsections renumbered) and replaced with the following:

A. Renewal Term. The renewal term of the Franchise granted by this Agreement (the "Renewal Term") shall commence and expire on the dates listed on Form A and unless this Agreement is terminated at an earlier date pursuant to Section 18. Franchisee shall not have a renewal option.

3. Section 2.B of the Agreement is deleted and all subsequent subsections renumbered.

4. Section 3.A of the Agreement is deleted (and all subsequent subsections renumbered) and replaced with the following:

A. Renewal Fee. Simultaneously with Franchisee's execution of this Agreement, Franchisee shall pay to Church's a renewal fee ("Renewal Fee") in the amount specified in Schedule 1. Franchisee acknowledges and agrees that the Renewal Fee is fully earned by Church's when paid and is not refundable.

5. Section 8.A of the Agreement is deleted and all subsequent subsections renumbered.

6. The first sentence of Section 8.B (now Section 8.A) of the Agreement is deleted. The second sentence of Section 8.B of the Agreement is deleted and replaced with the following sentence:

At the Franchised Restaurant, Franchisee must employ at least two managers that have completed the Church's Manager-in-Training ("MIT") Program.

7. Section 9.A of the Agreement is deleted and all subsequent subsections renumbered.

8. The heading of Section 9.B (now Section 9.A) of the Agreement is changes to Assistance.

9. Section 18.A.1 of the Agreement is deleted and all subsequent subsections renumbered.

10. Section 30.G of the Agreement is deleted and all subsequent subsections renumbered.

11. Section 3 of Schedule 1 to the Agreement is deleted and replace with the following:

3. Renewal Franchise Fee (Section 3.A.): ______________________________

12. The body of Form A to the Franchise Agreement is deleted and replaced with the following:

The Renewal Term for the Franchised Restaurant located at ______________________________ (Restaurant No. ________) commenced on _________________ and expires on __________________.

13. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

14. Except as modified by the Addendum, the Franchise Agreement remains unmodified and in full force and effect.

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ______________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

FRANCHISEE:

____

By: ______________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

EXHIBIT G

DEVELOPMENT AGREEMENT
(NON-EXCLUSIVE)

CHURCH'S CHICKEN

DEVELOPMENT AGREEMENT

Between

CAJUN GLOBAL LLC

and

____

Development Agreement No.: ________

TABLE OF CONTENTS

CHURCH'S CHICKEN DEVELOPMENT AGREEMENT

THIS AGREEMENT ("Agreement") is made as of this _____ day of ________________, 20__, by and between **CAJUN GLOBAL LLC**, d/b/a Church's Chicken, a Delaware limited liability company ("Church's"), and ____________________________, a ____________________________ formed under the laws of _______________("Developer").

RECITALS:

1. As a result of the expenditure of time, skill, effort and money, Church's has developed and owns a unique and distinctive system ("System") relating to the development, establishment and operation of quick service restaurants featuring fried chicken and other menu items and commercial products ("Church's Restaurants").

2. The distinguishing characteristics of the System include, without limitation, specially designed buildings; distinctive interior and exterior layouts, décor, color schemes, and furnishings; confidential food formulas and recipes used in the preparation of food products and, particularly, a unique seasoning and batter formula for preparing Church's fried chicken; specialized menus; and standards and specifications for equipment, equipment layouts, products, operating procedures, employee training, and management programs; all of which may be changed, improved, and further developed by Church's from time to time.

3. Cajun Funding Corp. ("Cajun Funding"), an affiliate of Church's, owns the "Church's" and "Church's Chicken" trade names and trademarks, along with such other trade names, service marks, trademarks, logos, emblems, and other indicia of origin, as are now, or may in the future, be designated by Cajun Funding for use in connection with the System (collectively, the "Proprietary Marks"). Pursuant to a license agreement, Cajun Funding has granted to Church's the exclusive right to use and license others to use the Proprietary Marks.

4. Cajun Funding and Church's continue to develop, use, and control the use of the Proprietary Marks in order to identify for the public the source of services and products marketed under the Proprietary Marks in the System and to represent the System's high standards of quality, appearance, and service.

5. Under a management agreement ("Management Agreement") between Church's and Cajun Operating Company ("Cajun Operating"), Cajun Operating Company will, at all times acting on behalf of Church's, fulfill all of Church's duties and obligations under this Agreement. Cajun Operating employs all the persons who will provide services to Developer on Church's behalf under the terms of this Agreement. If Cajun Operating fails to perform its obligations under the Management Agreement, then Church's may replace Cajun Operating as the franchise service provider. However, as the franchisor, Church's will always be responsible for fulfilling all of its duties and obligations under this Agreement.

6. Developer desires, subject to the terms and conditions of this Agreement, to develop franchised Church's Restaurants (collectively "Franchised Restaurant(s)") within a certain geographic territory.

7. Developer understands and acknowledges the importance of Church's high and uniform standards of quality, operations and service and the necessity of developing the Franchised Restaurants in strict conformity with this Agreement and Church's Manual (as defined in Section 9).

8. Church's is willing to grant to Developer the opportunity to develop Franchised Restaurants in a limited geographic territory, subject to the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of Church's grant to Developer of the right to develop Franchised Restaurants in a limited geographic territory during the term of this Agreement, as well as the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. GRANT OF DEVELOPMENT RIGHTS

A. Grant; Development Area. Church's hereby grants to Developer, subject to the terms, conditions, provisions and limitations of this Agreement, the right to develop Franchised Restaurants within the geographic area described in attached Schedule 1 ("Development Area") during the term of this Agreement ("Development Term"). The Development Term begins on the date this Agreement is signed by Church's and terminates on the date that the last Franchised Restaurant is required to be opened pursuant to the Development Schedule in attached Schedule 2. Developer has no right to renew or extend the Development Term. Developer shall locate each Franchised Restaurant in the Development Area at a specific location accepted by Church's.

B. Development Rights Only. This Agreement is not a license or a franchise agreement. This Agreement does not give Developer the right to operate Church's Restaurants or use the System. This Agreement does not give Developer any right to license others to operate Church's Restaurants or use the System. This Agreement only gives Developer the opportunity to enter into Church's Chicken franchise agreements ("Franchise Agreements") for the operation of Franchised Restaurants at locations in the Development Area accepted by Church's. Each Franchised Restaurant developed pursuant to this Agreement shall be established and operated only in strict accordance with a Franchise Agreement.

C. Forms of Agreement. Developer acknowledges that Church's intends to enter into agreements with other developers and franchisees that may contain provisions, conditions and obligations that differ from those contained in this Agreement. The existence of different forms of agreement and the fact that Church's and other developers and franchisees may have different rights and obligations does not affect the duties of the parties to this Agreement to comply with the terms of this Agreement.

2. NON-EXCLUSIVE RIGHTS

A. The development and other rights granted to Developer hereunder are non-exclusive.

B. Without limiting the general nature of Section 2.A.:

(1) Church's reserves the rights to: **(a)** operate and license others to operate restaurants identified in whole or in part by the names and marks "Church's" and/or "Church's Chicken" in the Development Area that are located in airports, train stations, bus stations, travel plazas, stadiums, arenas, convention centers, military facilities, schools, colleges, universities, hospitals, recreational theme parks, business or industrial foodservice venues, food courts, enclosed shopping malls and retail centers, venues in which foodservice is or may be provided by a master concessionaire or contract foodservice provider, Indian reservations, casinos or any similar captive market location; **(b)** award national or regional licenses to third parties to sell products under the names and marks "Church's" and "Church's Chicken" in foodservice facilities primarily identified by the third party's trademark; **(c)** develop and operate, and license others to develop and operate, restaurants other than restaurants identified in whole or in part by the names and marks "Church's" and "Church's Chicken" in the Development Area; **(d)** acquire or be acquired by a restaurant chain or system that operates and/or franchises restaurants in the Development Area that are the same as, similar to or compete with Church's Restaurants in that they have a substantially similar menu or similar theme or concept; **(e)** merchandise and distribute products identified by some or all of the Proprietary Marks in the Development Area through any method or channel of distribution other than restaurants; **(f)** sell and distribute products identified by some or all of the Proprietary Marks in the Development Area to restaurants other than restaurants identified in whole or in part by the names and marks "Church's" and "Church's Chicken," provided those restaurants are not licensed to use the Proprietary Marks or the System in connection with their retail sales, and **(g)** sell and license others to sell products identified by some or all of the Proprietary Marks in the Development Area through temporary facilities in connection with any cultural, sporting, recreational, or other temporary event. Church's reserves to itself all rights to use and license the System and Proprietary Marks other than those expressly granted under this Agreement.

(2) Church's may operate or license others to operate restaurants identified in whole or in part by the names and marks "Church's" and "Church's Chicken" in the Development Area.

(3) Nothing in this Agreement shall prohibit Church's or its affiliates from operating or licensing a restaurant at any location in or outside the Development Area.

3. DEVELOPMENT SCHEDULE

A. During the Development Term, Developer shall develop and open in the Development Area the number of Franchised Restaurants specified in the Development Schedule in Schedule 2. For each Franchised Restaurant to be developed during the Development Term, Developer must first obtain Church's acceptance of the site by the site acceptance date listed in the Development Schedule in Schedule 2. Developer's strict compliance with the Development Schedule is essential to this Agreement. If Developer fails to fulfill its obligations to develop and open any Franchised Restaurant when required by the Development Schedule or to obtain site acceptance by the date specified in the Development Schedule, such failure shall constitute a material, non-curable breach of this Agreement permitting Church's immediately to terminate this Agreement by giving notice of termination to Developer. Time is of the essence.

B. In addition to the Development Fee required by Section 4, Developer shall pay Church's an initial franchise fee ("Initial Franchise Fee") for each Franchised Restaurant to be developed under this Agreement in the amount set forth in Schedule 2. The Initial Franchise Fee is payable upon execution of the Franchise Agreement for each Franchised Restaurant. Developer acknowledges and agrees that the Initial Franchise Fee is fully earned by Church's when paid, and it is not refundable.

C. If, during the Development Term, Developer sells a Franchised Restaurant that was developed pursuant to this Agreement, that Franchised Restaurant will continue to be counted as a Franchised Restaurant for the purpose of meeting Developer's obligations under the Development Schedule, provided that the sale has been approved by Church's and the restaurant will continue to be operated as a Church's Chicken pursuant to a franchise agreement with Church's or its affiliates.

D. Church's may, in its sole discretion, grant Developer one or more extensions to the Development Schedule ("Development Schedule Extension"), provided that Developer shall pay Church's a fee ("Development Schedule Extension Fee") in an amount not to exceed $3,000 for each Development Schedule Extension of four months duration or less. Church's reserves the right to deny the granting of any Development Schedule Extension for any reason. If the Development Schedule Extension is an extension to the Opening Date and Developer opens the Franchised Restaurant during that extension period, then the Development Schedule Extension Fee will be credited toward the Initial Franchise Fee for the Franchised

Restaurant. If the Development Schedule Extension is an extension to the Site Acceptance Date, no credit shall be given.

E. At Developer's request, Church's will permit the Franchise Agreement for any Franchised Restaurant in the Development Area to be executed by an entity formed by Developer to operate the Franchised Restaurant (an "Affiliated Entity"), provided all of the following conditions are met: **(1)** Developer, the Operating Principal (as defined in Section 10.G.) or Developer's Continuity Group (as defined in Section 10.E.) own at least 51% of the voting equity of a corporate or limited liability company Affiliated Entity, or all of the general partnership interests of a partnership Affiliated Entity; **(2)** the Affiliated Entity conducts no business other than the operation of the Franchised Restaurant; **(3)** Developer, the Operating Principal, the members of Developer's Continuity Group and all holders of a legal or beneficial interest in Developer of 5% or more ("5% Owner(s)") agree to guarantee and assume full and unconditional liability for, and agree to perform all obligations, covenants and agreements contained in the Franchise Agreement; and **(4)** all owners of voting equity possess a good moral character, as determined by Church's in its sole discretion, and Developer provides Church's all reasonably requested information and documentation to permit Church's to make such a determination.

4. DEVELOPMENT FEE

Developer shall pay Church's, at the time this Agreement is signed, a development fee in the amount set forth in Schedule 2 ("Development Fee"). Developer acknowledges and agrees that the Development Fee is fully earned by Church's when paid, and it is not refundable.

5. DEVELOPMENT PROCEDURES

A. Developer's Responsibility. Developer assumes all cost, liability and expense for locating, obtaining and developing sites for the Franchised Restaurants and constructing and equipping the Franchised Restaurants in accordance with Church's requirements. Developer shall not make any binding commitment to purchase or lease a site unless and until Church's has accepted the site in writing.

B. Site Acceptance Request. Developer shall submit a site acceptance request (on Church's form), containing such information as Church's may reasonably require, for each proposed site which Developer reasonably believes to conform to site selection criteria that Church's may establish from time to time for demographic characteristics, traffic patterns, parking, character of the neighborhood, competition from other businesses in the area, the proximity to other businesses (including restaurants operated or franchised by Church's or its affiliates), the nature of other businesses in proximity to the site and other commercial characteristics (including the purchase price, rental obligations and other lease terms for the proposed site) and the size, appearance, other physical characteristics, and a site plan of the premises.

C. Site Acceptance.

(1) Within 60 days after receipt of a complete Site Acceptance Request and any additional information that Church's may reasonably require, Church's shall advise Developer in writing whether it has accepted a particular site. If Church's does not respond within that time period, Church's shall be deemed to have denied acceptance of the site. Church's acceptance or rejection of a site may be subject to reasonable conditions as determined in its sole discretion. A site which Church's has accepted shall be referred to as an "Authorized Site."

(2) Developer acknowledges that, in order to preserve and enhance the reputation and goodwill of all restaurants franchised by Church's and the goodwill of the Proprietary Marks, all Franchised Restaurants must be properly developed, operated and maintained. Accordingly, Developer agrees that

Church's may refuse to accept a site for a proposed Franchised Restaurant unless Developer demonstrates sufficient financial and operational capabilities, in Church's sole judgment to properly develop, operate and maintain the proposed Franchised Restaurant. To this end, Developer shall furnish Church's with such financial statements and other information and documentation regarding Developer (or its Affiliated Entity) and the development and operation of the proposed Franchised Restaurant, including, without limitation, investment and financing plans for the proposed Franchised Restaurant, as Church's reasonably may require.

(3) Church's acceptance of one or more sites is not a representation, a warranty or a promise by Church's that a Church's Restaurant at the Authorized Site will achieve a certain sales volume or a certain level of profitability. Similarly, Church's acceptance of one or more sites and its rejection of other sites is not a representation, warranty or a promise that an Authorized Site will have a higher sales volume or be more profitable than a site which Church's did not accept. Church's assumes no liability or responsibility for: **(a)** evaluation of an Authorized Site's soil for hazardous substances; **(b)** inspection of any structure on the Authorized Site for asbestos or other toxic or hazardous materials; **(c)** compliance with the Americans With Disabilities Act ("ADA"); or **(d)** compliance with any other applicable law. It is Developer's sole responsibility to obtain satisfactory evidence and/or assurances that the Authorized Site (and any structures thereon) is free from environmental contamination and complies with the ADA and other applicable laws.

D. Execution of Franchise Agreement. Within 30 days after Church's approves a proposed site for the first Franchised Restaurant developed hereunder (but, if applicable, after expiry of the applicable waiting period following delivery of a franchise disclosure document), Developer shall execute a Franchise Agreement in Church's then-current standard form, and pay the Initial Franchise Fee for the Authorized Site. For all subsequent Franchised Restaurants, Developer shall, at Church's option, execute Church's then-current standard form of Franchise Agreement in general use at the time of Church's notice to Developer of Church's acceptance of the proposed site for the Franchised Restaurant, within 30 days after acceptance (but, if applicable, after expiry of the applicable waiting period following delivery of a franchise disclosure document). For the purpose of entering into Franchise Agreements, Church's agrees that Developer may organize one or more wholly-owned subsidiaries or one or more affiliates with ownership structures identical to that of Developer, and such entity may be the franchisee entity. Church's acknowledges that if Developer opens a Franchised Restaurant using such an entity as the franchisee entity, Church's shall consider Developer's development obligation for that Franchised Restaurant to be satisfied.

E. Proof of Ownership, Lease or Sublease. Within 90 days after Church's accepts the Authorized Site, Developer shall submit to Church's satisfactory proof that Developer: **(1)** owns the Authorized Site; or **(2)** has leased or subleased the Authorized Site for a term, including renewal terms, for at least the initial term of the Franchise Agreement; or **(3)** has entered into a written agreement to purchase or to lease or sublease the Authorized Site on terms provided in Section 5.F., subject only to obtaining necessary governmental permits.

F. Lease Provisions. If Developer proposes to lease or sublease the Authorized Site, then within 90 days after Church's accepts the Authorized Site, Developer shall provide Church's with a copy of the fully-executed lease or sublease (for a term, including renewal terms, for at least the initial term of the Franchise Agreement) for the Authorized Site. The lease or sublease shall not contain any covenants or other obligations that would prevent Developer from performing its obligations under the Franchise Agreement. Unless waived in writing by Church's, any lease, sublease, letter of intent or lease memorandum for the Authorized Site shall contain provisions that satisfy the following requirements during the entire term of the lease, including any renewal terms:

(1) The landlord consents to Developer's use of the proprietary signs, distinctive exterior and interior designs and layouts, and the Proprietary Marks prescribed by Church's, and upon expiration or the earlier termination of the lease, consents to permit Developer, at Developer's expense, to remove all such items and other trade fixtures, so long as Developer makes repairs to the building caused by such removal.

(2) The landlord agrees to provide Church's (at the same time sent to Developer) a copy of all amendments and assignments and notices of default pertaining to the lease and the leased premises.

(3) Church's shall have the right to enter the leased premises to make any modifications or alterations necessary to protect the System and the Proprietary Marks and to cure, within the time periods provided by the lease, any default under the lease, all without being guilty of trespass or other tort and to charge Developer for these costs.

(4) The landlord agrees that Church's shall not be responsible for any obligations, debts or payments under the lease.

(5) The landlord agrees that, following the expiration or earlier termination of the Franchise Agreement, Developer shall have the right to make those alterations and modifications to the premises as may be necessary to clearly distinguish to the public the premises from a Church's Restaurant and also make those specific additional changes as Church's reasonably may request for that purpose. The landlord also agrees that, if Developer fails to promptly make these alterations and modifications, Church's shall have the right to do so without being guilty of trespass or other tort so long as Church's makes repairs to the building caused by such removal.

(6) The landlord agrees not to amend or otherwise modify the lease in any manner that would affect any of the foregoing requirements without Church's prior consent, which consent shall not be unreasonably withheld.

(7) Developer may assign the lease to Church's or its designee with landlord's consent (which consent shall not be unreasonably withheld) and without payment of any assignment fee or similar charge or increase in any rentals payable to the landlord.

(8) The landlord agrees to consent to Developer's collaterally assigning the lease to Church's or its designee, granting Church's the option, but not the obligation, to assume the lease from the date Church's takes possession of the leased premises, without payment of any assignment fee or similar charge or increase in any rentals payable to the landlord.

G. New Franchisee Orientation Program. Before Developer opens its first Franchised Restaurant to be developed under this Agreement, the Operating Principal shall complete, to Church's satisfaction, Church's New Franchisee Orientation Program ("NFOP"). The NFOP shall last two days and will be conducted at a training facility designated by Church's. Church's shall bear all expenses for the NFOP, provided that Developer shall pay all travel, living and other expenses incurred by Developer's Operating Principal and Developer's employees while attending the NFOP.

6. CONSTRUCTION OF THE FRANCHISED RESTAURANTS

A. Submission of Construction Plans.

(1) Developer assumes all cost, liability and expense for developing, constructing and equipping each Franchised Restaurant. Church's will make available to Developer standard plans and specifications to be utilized only in the construction of a Franchised Restaurant. No modification to, or deviations from, the standard plans and specifications may be made without the prior consent of Church's. Developer shall obtain, at its expense, further qualified architectural and engineering services to prepare surveys, site and foundation plans and to adapt the standard plans and specifications to applicable local or state laws, regulations or ordinances. Developer shall bear the cost of preparing plans containing deviations or modifications from the standard plans. Developer shall use only registered architects, registered engineers, and professional and licensed contractors.

(2) Within 90 days after Developer receives notice of Church's site acceptance for each Franchised Restaurant, Developer shall submit to Church's, and obtain Church's acceptance of, the final and complete plans and specifications for the construction (or renovation) and decoration of the Franchised Restaurant, which must be in conformity with Church's standards and specifications for Franchised Restaurants, as set out in the current Manual or otherwise in writing ("Construction Plans"). The Construction Plans shall include, but are not limited to, floor plans, equipment layouts, décor, and interior and exterior elevations.

B. Commencement and Completion of Construction.

(1) Developer shall not begin site preparation or construction of a Franchised Restaurant until **(a)** Church's has approved the site for the Franchised Restaurant; **(b)** Developer has received notification from Church's that it has approved the Construction Plans for the Franchised Restaurant; **(c)** Developer has provided Church's a copy of the fully-executed lease or sublease for the Franchised Restaurant premises or, if Developer owns the premises, proof of Developer's ownership interest; **(d)** Developer has procured the insurance coverage required by Section 8; and (**e**) if the Franchised Restaurant is the second Franchised Restaurant to be developed by Developer, Developer has established its first Franchised Restaurant as a Certified Training Restaurant as described in Section 7.D.

(2) No later than 30 days after Church's approves Developer's Construction Plans, Developer shall commence construction or renovation of each Franchised Restaurant. Developer shall at all times, use its best efforts to obtain all necessary construction permits in order to avoid delays in the commencement of construction or renovation of each Franchised Restaurant. Prior to the commencement of construction, Developer shall notify Church's of the date construction or renovation will commence.

(3) In connection with the construction or renovation, Developer shall only use general contractors and architects duly licensed by the jurisdiction in which each Franchised Restaurant is located. Church's shall have the right to approve Developer's general contractors and architects in its sole discretion.

(4) Developer shall complete construction or renovation and each Franchised Restaurant shall be furnished, equipped and shall otherwise be ready to open for business in accordance with this Agreement no later than the opening date specified in Schedule 2 ("Opening Date"). Church's may, in its sole discretion, accept a later Opening Date to address unforeseen construction delays, not within the control of Developer, provided that Church's reserves the right to require Developer to pay a Development Extension Fee as set forth in Section 3.D. On or before the applicable Opening Date, Developer, at its sole expense, shall, without limitation:

(a) obtain and maintain all required building, utility, sign, health, sanitation, business and other permits and licenses applicable to the Franchised Restaurant;

(b) construct all required improvements to the premises and decorate the exterior and interior of the Franchised Restaurant in compliance with the Construction Plans approved by Church's;

(c) purchase or lease and install all specified and required fixtures, equipment, furnishings and interior and exterior signs required for the Franchised Restaurant; and

(d) purchase an opening inventory for the Franchised Restaurant of only authorized and approved products and other materials and supplies.

C. Acquisition of Necessary Furnishings, Fixtures and Equipment.

(1) In the development and operation of a Franchised Restaurant, Developer shall use only the fixtures, furnishings, equipment and signs that Church's has approved for Church's Restaurants as meeting its specifications and standards for quality, design, appearance, function and performance. Developer shall procure and install such cash registers, point-of-sale systems and equipment, data processing equipment, computer hardware, dedicated telephone and power lines, high speed Internet connections, modems, printers and other computer-related accessory or peripheral equipment, with such software and programs, as Church's specifies from time to time in the Manual or otherwise, at Developer's expense. Developer shall place or display at the Franchised Restaurant (interior and exterior) only those signs, emblems, lettering, logos and display materials that Church's approves in writing from time to time.

(2) Developer shall purchase or lease approved brands, types or models of fixtures, furnishings, equipment and signs only from suppliers designated or approved by Church's, which may include Church's. If Developer proposes to purchase, lease or otherwise use any fixtures, furnishings, equipment or signs which have not been approved by Church's, Developer shall first notify Church's in writing and shall, at its sole expense, submit to Church's upon its request sufficient specifications, photographs, drawings and/or other information or samples for a determination as to whether those fixtures, furnishings, equipment and/or signs comply with Church's specifications and standards. Church's will, in its sole discretion, approve or disapprove the items and notify Developer within 30 days after Church's receives the request.

(3) If Developer builds any portion of a Franchised Restaurant outside of Church's specifications without receiving Church's prior consent, Church's shall have the right to delay the opening of the Franchised Restaurant until Developer, at its sole expense, brings the Franchised Restaurant's development within full compliance of Church's specifications.

D. Inspection, Cooperation. During the course of construction and/or renovation of each Franchised Restaurant, Developer shall (and shall cause Developer's architect, engineer, contractors, and subcontractors to) cooperate fully with Church's and its designees for the purpose of permitting Church's and its designees to inspect the restaurant premises and the course of construction of the Franchised Restaurant in order to determine whether construction is proceeding according to the Construction Plans. Without limiting the generality of the foregoing, Developer and Developer's architect, engineer, contractors and subcontractors shall afford Church's representatives and its designees access to the restaurant premises and to the construction work in order to permit Church's and its designees to carry out their inspections.

E. Reports. If requested by Church's, Developer shall submit to Church's, on or before the first day of each month (or more or less frequently if Church's requests), a report with photographs and any other evidence as required by Church's showing progress made in connection with the construction and equipping of the Franchised Restaurants.

F. Limitation of Church's Liability. Notwithstanding the right of Church's to approve the Construction Plans and to inspect the construction work at the Franchised Restaurant, Church's and its designees shall have no liability or obligation with respect to the restaurant premises, the design or construction of the Franchised Restaurant or the furnishings, fixtures and equipment to be acquired. Church's rights shall be exercised solely for the purpose of ensuring compliance with the terms and conditions of this Agreement.

7. OPENING OF THE FRANCHISED RESTAURANT

A. Final Inspection and Opening Date. Developer shall notify Church's in writing at least 15 days prior to the date Developer plans to commence operating each Franchised Restaurant. If requested by Church's, Developer shall submit a copy of the certificate of occupancy to Church's. Church's reserves the right, after receiving Developer's notice, to conduct a final inspection of the Franchised Restaurant and its premises to determine if Developer has complied with this Agreement. Church's shall not be liable for delays or loss occasioned by its inability to complete its investigation and to make a determination within this period. Developer shall not open the Franchised Restaurant for business unless Developer has satisfied the conditions contained in this Agreement and has received Church's express authorization.

B. First Franchised Restaurant. If the Franchised Restaurant is Developer's first franchised Church's Restaurant, Church's shall provide a representative to be present at the opening of the Franchised Restaurant. Developer shall not open the first Franchised Restaurant unless a Church's representative is present and Developer has satisfied the pre-opening conditions identified below in Section 7.C.

C. Conditions to Opening. Developer shall not open a Franchised Restaurant unless all of the following conditions have been met:

(1) Developer is not in material default under this Agreement or any other agreements with Church's or its affiliates; Developer is not in default beyond the applicable cure period under any real estate lease, equipment lease or financing instrument relating to the Franchised Restaurant; Developer is not in default beyond the applicable cure period with any vendor or supplier to the Franchised Restaurant; and for the previous six months prior to the proposed opening of the Franchised Restaurant, Developer has not been in default beyond the applicable cure period under any agreement with Church's.

(2) Developer is current on all financial and other obligations due to Church's, its affiliates, its suppliers, and all other financial obligations due to any party in connection with the development and/or operation of the Franchised Restaurant.

(3) If the Authorized Site is leased or subleased, Church's has received a copy of the fully-executed lease or sublease.

(4) Developer has obtained a certificate of occupancy and any other required health, safety or fire department certificates.

(5) Developer has certified to Church's in writing that the installation of all items of furnishings, fixtures, equipment, signs, computer terminals and related equipment, supplies and other items has been accomplished.

(6) The Operating Principal and those other designated management employees of Developer have attended and completed, to Church's satisfaction, the Church's Manager-in-Training Program and, if applicable, the New Franchisee Orientation Program (as described in the Franchise Agreement).

(7) Church's has determined that the Franchised Restaurant has been constructed and/or renovated and equipped substantially in accordance with the requirements of this Agreement and that Developer has hired and trained a staff in accordance with the requirements of this Agreement.

(8) Church's has been furnished with copies of all insurance policies required by Section 8 or such other evidence of insurance coverage and payment of premiums as Church's reasonably may request.

(9) Developer has become a member of any purchasing cooperative required by Church's.

(10) Developer has implemented those customer satisfaction programs required by the Franchise Agreement.

(11) If applicable, Developer has become a member of the Regional Advertising Cooperative (as described in the Franchise Agreement) for the DMA in which the Franchised Restaurant is located.

D. Certified Training Restaurants. Within 90 days after Developer opens its first Franchised Restaurant and before Developer may begin construction on its second Franchised Restaurant as provided in Section 6.B., Developer, at its own expense, must establish its first Franchised Restaurant as a Certified Training Restaurant ("CTR") at which a designated training manager can conduct the MIT Program and other training programs for those designated employees of Franchisee and other Church's franchisees whose franchised Church's Restaurants are located in the same DMA as the CTR.

8. INSURANCE

A. Insurance Program. Developer, and not Church's, shall be responsible for all loss or damage arising from or related to Developer's development and operation of each Franchised Restaurant, and for all demands or claims with respect to any loss, liability, personal injury, death, property damage, or expense whatsoever occurring upon the premises of, or in connection with the development or operation of, each Franchised Restaurant. Developer shall maintain in full force and effect throughout the Development Term that insurance which Developer determines is necessary or appropriate for liabilities caused by or occurring in connection with the development or operation of each Franchised Restaurant which shall include, at a minimum, insurance policies of the kinds, and in the amounts, required by Section 8.B. Developer shall cause Church's and any entity with an insurable interest designated by Church's be named as an additional insured for General Liability and loss payee for property policy to the extent each has an insurable interest.

B. Minimum Insurance Requirements. Developer shall obtain all insurance policies from an insurance company or companies satisfactory to Church's, in compliance with the standards, specifications, coverages and limits set forth in the Manual or otherwise provided to Developer in writing. Church's may reasonably increase the minimum coverage required and require different or additional kinds of insurance to reflect inflation, changes in standards of liability, higher damage awards or other relevant changes in circumstances. Developer shall receive written notice of such modifications and shall take prompt action to secure the additional coverage or higher policy limits. These policies shall include, at a minimum, the following for each Franchised Restaurant:

(1) Comprehensive or Commercial General Liability Insurance, including coverage for bodily injury, personal injury, death and property damage, including Premises and Operations, independent contractors, blanket contractual liability, broad form property damage, products and completed operations and property damage on an occurrence basis with policy limits of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate or split liability limits of $1,000,000 for bodily injury per person; $1,000,000 for bodily injury per occurrence; and $500,000 for property damage.

(2) Comprehensive Automobile Liability Insurance, if applicable, covering owned, non-owned and hired vehicles with limits as follows: combined single limit of $500,000 for bodily injury, death and property damage per occurrence; or split liability limits of $500,000 for bodily injury per person; $500,000 for bodily injury per occurrence; and $250,000 for property damage.

(3) All Risk Property Insurance, written on an "All Risks" policy for fire and related peril (including floods and earthquakes where applicable) with limits of insurance of not less than the full replacement value of each Franchised Restaurant, and its furniture, fixtures, equipment, inventory and other tangible property on Special Form. If the Franchised Location is in an area prone to geological phenomena, including, but not limited to, wind, sinkholes, mine subsidence, earthquakes, hurricanes, tornadoes, or floods, the all-risk property insurance shall cover such risks.

(4) Employer's Liability Insurance in the amount of $500,000 per accident.

(5) Workers' Compensation and such other insurance as may be required by statute or rule of the state or locality in which each Franchised Restaurant will be located. This coverage shall also be in effect for all of Developer's employees who participate in any Church's training programs.

(6) Builders All Risk Insurance in connection with any construction, renovation, refurbishment or remodeling of a Franchised Restaurant and in connection with new construction or substantial renovation, refurbishment or remodeling of a Franchised Restaurant, Developer shall maintain performance and completion bonds in forms and amounts, and written by carrier(s), reasonably satisfactory to Church's.

(7) Employment Practice Liability Insurance containing third party endorsement is highly recommended.

C. General Insurance Requirements. The following general requirements shall apply to each insurance policy that Developer is required to maintain under this Agreement:

(1) Each insurance policy shall be specifically endorsed to provide that the coverages shall be primary and that any insurance carried by any additional insured shall be excess and non-contributory. The applicable limits of each insurance policy shall be exhausted before any benefits (defense or indemnity) may be obtained under any other insurance (including self-insurance) providing coverage to Church's. In the event payments are required to be made under Church's own insurance policies or self-insurance (whether for defense or indemnity) before the applicable coverage limits for the insurance policies obtained by Developer are exhausted, Developer agrees to reimburse, hold harmless and indemnify Church's and its insurers for such payments. Developer shall notify its insurers of this Agreement and shall use best efforts to obtain an endorsement on each policy it obtains pursuant to Section 8.B. stating as follows:

The applicable limits of this policy shall be applied and exhausted before any benefits may be obtained (whether for defense or indemnity) under any other insurance (including self-insurance) that may provide coverage to Church's. All insurance coverage obtained by Church's shall be considered excess insurance with respect to this policy, the benefits of which excess insurance shall not be available until the applicable limits of this policy are exhausted.

(2) No insurance policy shall contain a provision that in any way limits or reduces coverage for Developer in the event of a claim by Church's or its affiliates.

(3) Each insurance policy shall extend to, and provide indemnity for, all obligations and liabilities of Developer to third parties and all other items for which Developer is required to indemnify Church's under this Agreement.

(4) Each insurance policy shall be written by an insurance company that has received and maintains an "A" or better rating by the latest edition of Best's Insurance Rating Service.

(5) No insurance policy shall provide for a deductible amount that exceeds $5,000, unless otherwise approved in writing by Church's, and Developer's co-insurance under any insurance policy shall be 80% or greater.

(6) All liability insurance policies shall be written on an "occurrence" policy form. Developer shall be responsible for payment of any and all deductibles from insured claims under its insurance policies. Developer shall not self-insure any of the insurance coverages required by this Agreement or non-subscribe to any state's applicable workmen's compensation laws without the prior written consent of Church's.

D. No Limitation on Coverage. Developer's obligation to obtain and maintain the insurance policies identified in Section 8.B. in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by Church's, nor shall Developer's performance of that obligation relieve it of liability under the indemnity provisions set forth in Section 18 of this Agreement.

E. **Issuance of Insurance.** Developer shall obtain the insurance required by this Agreement no later than 15 days before the date on which the construction of Developer's Franchised Restaurant developed pursuant to this Agreement is commenced. Upon obtaining such insurance, and on each policy renewal date thereafter, Developer shall submit evidence of satisfactory insurance and proof of payment therefor to Church's. Developer shall use its best efforts to coordinate the policy effective dates for all of Developer's required coverages for all of the Franchised Restaurants to have one similar policy period. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least 30 days' prior written notice to Church's. Upon request, Developer also shall provide to Church's copies of all or any policies, and policy amendments and riders. No failure of Church's to request such evidence of satisfactory insurance and proof of payment or copies of any policies shall constitute a waiver of Church's right to demand exact compliance by Developer to comply with, or Developer's obligations under, this Section.

F. **No Representations.** Developer acknowledges that no requirement for insurance contained in this Agreement constitutes advice or a representation by Church's that only such policies, in such amounts, are necessary or adequate to protect Developer from losses in connection with its business under this Agreement. Developer further acknowledges that the insurance requirements contained in this Agreement shall not be construed as a limitation of Developer's liability to Church's or any third party arising from Developer's development and operation of the Franchised Restaurants. Maintenance of this insurance, and the performance by Developer of its obligations under this Section, shall not relieve Developer of liability under the indemnification provisions of this Agreement.

G. Procurement of Insurance by Church's. Should Developer, for any reason, fail to procure or maintain at least the insurance required by this Section, as revised from time to time pursuant to the Manual or otherwise in writing, Church's shall have the immediate right and authority, but not the obligation, to procure such insurance and charge its cost to Developer. Developer shall reimburse Church's for all out-of-pocket costs incurred by Church's in obtaining such insurance on behalf of Developer immediately upon Developer's receipt of an invoice therefor.

9. MANUAL

A. Definition; Contents. The term "Manual" means Church's Operations Manual and any other publications, materials, drawings, memoranda, audio or video recordings, and electronic media that Church's from time to time may provide to Developer. The Manual contains detailed standards, specifications, instructions, requirements, methods and procedures for development, management and operation of the Franchised Restaurant. The Manual may also set forth requirements related to the selection, purchase, storage, preparation, packaging, ingredients, recipes, service and sale of all products and beverages sold at the Franchised Restaurant; management and employee training; marketing, advertising and sales promotions; maintenance and repair of the Franchised Restaurant building, grounds, equipment, graphics, signs, interior and exterior décor items, fixtures and furnishings; employee dress attire and appearance standards; menu concept and graphics; and accounting, bookkeeping, records retention and other business systems, procedures and operations. The Manual is hereby incorporated by reference in its entirety and made a part of this Agreement.

B. Loan. Developer acknowledges receipt on loan of Church's confidential and proprietary Manual which contains information and knowledge that is unique, necessary and material to the System. Church's reserves the right to only issue an electronic form of the Manual that Church's may post on a restricted website, intranet or extranet to which Developer will have access. Church's may supplement or amend the Manual from time to time by letter, electronic mail, update to our franchise website, bulletin, videotapes, audio tapes, digital video disks, compact disks, software or other communications concerning the System to reflect changes in the image, specifications and standards relating to developing, equipping, furnishing and operating a Church's Restaurant. Developer shall keep its copy of the Manual current with all additions and deletions provided by or on behalf of Church's and shall purchase whatever equipment and related services (including, without limitation, a video cassette recorder, DVD player, computer system, Internet service, dedicated phone line, facsimile machine, etc.) as may be necessary to receive these communications. If a dispute relating to the contents of the Manual occurs, the master copy maintained by Church's at its principal offices shall control.

C. Confidentiality of the Manual. Developer acknowledges that the contents of the Manual are confidential and that the Manual contains Church's trade secrets and copyrighted material. Any passwords or other digital identifications necessary to access the Manual on any website, intranet or extranet also are deemed to be confidential and proprietary to Church's. Accordingly, Developer agrees that Developer will not disclose the contents of the Manual, passwords or other digital identifications to any person other than employees of the Franchised Restaurants who need to know its contents. Developer may not at any time copy, duplicate, record, or otherwise reproduce any part of the Manual.

D. Obligation. Developer shall at all times develop each Franchised Restaurant in strict conformity with the Manual; maintain the Manual at each Franchised Restaurant; not reproduce the Manual or any part of it; and treat the Manual as confidential and proprietary; and disclose the contents of the Manual only to those employees of Developer who have a need to know.

10. ORGANIZATION OF DEVELOPER

A. Representations.

(1) If Developer is a legal entity such as a corporation, limited liability company or a partnership, Developer represents and warrants to Church's that: **(a)** Developer is duly organized or incorporated and validly existing under the laws of the state of its formation; **(b)** it is qualified to do business in the state in which each Franchised Restaurant is located; **(c)** execution of this Agreement and the development and operation of the Franchised Restaurants is permitted by its governing documents; and **(d)** unless waived in writing by Church's, Developer's Articles of Incorporation, Articles of Organization or written partnership agreement shall at all times provide that the activities of Developer are limited exclusively to the development and operation of Church's Restaurants and other restaurants operated by Developer that are franchised by Church's or its affiliates.

(2) If Developer is an individual, or a partnership comprised solely of individuals, Developer makes the following additional representations and warranties: **(a)** each individual has executed this Agreement; **(b)** each individual shall be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement; and **(c)** notwithstanding any Transfer for convenience of ownership, pursuant to Section 12.F., each individual shall continue to be jointly and severally bound by, and personally liable for the timely and complete performance and a breach of, each and every provision of this Agreement.

B. Governing Documents. If Developer is a corporation, copies of Developer's Articles of Incorporation, bylaws, other governing documents and any amendments, including the resolution of the Board of Directors authorizing entry into and performance of this Agreement, and all shareholder agreements, including buy/sell agreements, have been furnished to Church's. If Developer is a limited liability company, copies of Developer's Articles of Organization, Management Agreement, other governing documents and any amendments, including the resolution of the Managers authorizing entry into and performance of this Agreement, and all agreements, including buy/sell agreements, among the members have been furnished to Church's. If Developer is a partnership, copies of Developer's written partnership agreement, other governing documents and any amendments, as well as all agreements, including buy/sell agreements, among the partners have been furnished to Church's, in addition to evidence of consent or approval of the entry into and performance of this Agreement by the requisite number or percentage of partners, if that approval or consent is required by Developer's written partnership agreement. When any of these governing documents are modified or changed, Developer promptly shall provide copies to Church's.

C. Ownership Interests. If Developer is a corporation, a limited liability company or a partnership, all interests in Developer are owned as set forth in attached Schedule 3. In addition, if Developer is a corporation, Developer shall maintain a current list of all owners of record and all beneficial owners of any class of voting securities of the corporation (and the number of shares owned by each). If Developer is a limited liability company, Developer shall maintain a current list of all members (and the percentage membership interest of each member). If Developer is a partnership, Developer shall maintain a current list of all owners of an interest in the partnership (and the percentage ownership of each owner). Developer shall comply with Section 12 prior to any change in ownership interests and shall execute addenda to Schedule 3 as changes occur in order to ensure the information contained in Schedule 3 is true, accurate and complete at all times.

D. Restrictive Legend. If Developer is a corporation, Developer shall maintain stop-transfer instructions against the transfer on its records of any voting securities, and each stock certificate of the corporation shall have conspicuously endorsed upon its face the following statement: "Any assignment or transfer of this stock is subject to the restrictions imposed on assignment by the Church's Chicken Development Agreement and Franchise Agreement(s) to which the corporation is a party." If Developer is a publicly-held corporation these requirements shall apply only to the stock owned by Developer's Continuity Group (as defined in Section 10.E.). If Developer is a limited liability company, each membership certificate or other evidence of interest in Developer shall have conspicuously endorsed upon its face the following statement: "Any assignment or transfer of an interest in this limited liability company is subject to the restrictions imposed on assignment by the Church's Chicken Development Agreement and Franchise Agreement(s) to which the limited liability company is a party." If Developer is a partnership, its written partnership agreement shall provide that ownership of an interest in the partnership is held subject to, and that further assignment or transfer is subject to, all restrictions imposed on assignment by this Agreement.

E. Continuity Group. Schedule 3 lists those persons and/or entities that Church's and Developer have designated as Developer's "Continuity Group." In the event of any change in the Continuity Group or in the ownership interests of any member of the Continuity Group, Developer shall execute addenda to Schedule 3 to reflect the change. The Continuity Group shall at all times own at least 51% of the voting securities of Developer (or, if Developer is a partnership, the Continuity Group shall at all times have at least a 51% interest in the operating profits and losses and at least a 51% ownership interest in Developer).

F. Guarantees.

(1) All members of the Continuity Group shall jointly and severally guarantee Developer's payment and performance under this Agreement and shall bind themselves to the terms of this Agreement pursuant to a Guaranty in the form prescribed by Church's ("Guaranty"). Unless Developer is a publicly-held entity, all holders of a legal or beneficial interest in Developer of 5% or more of the equity of Developer ("5% Owners") also shall jointly and severally guarantee Developer's payment and performance under this Agreement and also shall bind themselves to the terms of this Agreement pursuant to the Guaranty. Notwithstanding the foregoing, Church's reserves the right, in its sole discretion, to waive the requirement that some or all of the previously described individuals execute the Guaranty. Church's reserves the right to require any guarantor to provide personal financial statements to Church's from time to time.

(2) With respect to 5% Owners, Developer acknowledges that, unless otherwise agreed to in writing by Church's, it is Church's intent to have individuals (and not corporations, limited liability companies or other entities) execute the Guaranty. Accordingly, if any 5% Owner is not an individual, Church's shall have the right to have the Guaranty executed by individuals who have only an indirect ownership interest in Developer.

(3) If Developer, any guarantor or any parent, subsidiary or affiliate of Developer holds any interest in other restaurants that are franchised by Church's or its affiliates, the party who owns that interest shall execute, concurrently with this Agreement, a form of cross-guarantee to Church's and its affiliates for the payment of all obligations for such restaurants, unless waived in writing by Church's in its sole discretion. For purposes of this Agreement, an affiliate of Developer is any company controlled, directly or indirectly, by Developer or Developer's parent or subsidiary.

G. Operating Principal. Developer shall designate and retain an individual to serve as the "Operating Principal." The Operating Principal as of the date of this Agreement is identified in Schedule 3. Unless waived in writing by Church's, the Operating Principal shall meet all of the following qualifications:

(1) The Operating Principal, at all times, shall have at least a 10% equity ownership interest in Developer (unless Developer is a publicly-held entity or a wholly-owned subsidiary of a publicly-held entity).

(2) The Operating Principal, at all times, shall be a member of the Continuity Group and, at a minimum, have full control over the day-to-day activities, including operations, of Developer, including control over the standards of operation and financial performance.

(3) The Operating Principal shall devote full-time and best efforts to supervising the operation of Developer and Franchised Restaurants operated by Developer or its affiliates and shall not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility.

(4) The Operating Principal shall maintain his or her primary residence within a reasonable driving distance of at least one Franchised Restaurant.

(5) The Operating Principal shall successfully complete the NFOP.

(6) Church's shall have approved the Operating Principal, and not have later withdrawn that approval.

(7) If the Operating Principal no longer qualifies as such, Developer shall designate another qualified person to serve as Operating Principal within 30 days after the date the prior Operating Principal ceases to be qualified. Developer's designee to become the Operating Principal must successfully complete the MIT Program. Following Church's approval of a new Operating Principal, that person shall execute the attached form of Guaranty unless waived by Church's in its sole discretion.

11. TRANSFERS BY CHURCH'S

Church's shall have the absolute, unrestricted right, exercisable at any time, to transfer and assign all or any part of its rights and obligations under this Agreement to any person or legal entity, and to undergo a change in ownership or control without the consent of Developer.

12. TRANSFERS BY DEVELOPER

A. No Assignment. Developer understands and acknowledges that the rights and duties set forth in this Agreement are personal to Developer, that Church's has entered into this Agreement in reliance on Developer's (and Operating Principal's) business skill, financial capacity, personal character, experience and demonstrated or purported ability in developing and operating high quality foodservice operations. Accordingly, neither Developer nor any person or entity which directly or indirectly controls Developer shall sell, assign, transfer, convey, or give away any interest in Developer, this Agreement or any other assets pertaining to Developer's operations under this Agreement (collectively, "Transfer"), except as described in Section 12.B. or Section 12.C. Any purported Transfer, by operation of law or otherwise, shall be null and void.

B. Certain Transfers Permitted. Notwithstanding the provisions of Section 12.A., Church's agrees that certain Transfers shall be permitted, and Church's approval is not required, provided all of the following conditions are satisfied:

(1) The Transfer is a transfer of:

(a) A minority percentage of ownership interests in Developer and after the Transfer, the Continuity Group owns at least 51% of Developer's voting securities (or, if Developer is a partnership, the Continuity Group owns at least a 51% interest in the operating profits and losses of a partnership Developer as well as at least a 51% ownership interest in a partnership Developer); or

(b) Ownership interests in Developer following the death or permanent incapacity of a person with an ownership interest in Developer, provided that the Transfer is to the parent, sibling, spouse or children of that person or to a member of the Continuity Group. Such Transfer shall be completed within a reasonable time, not to exceed six months from the date of death or permanent disability. Failure to complete the Transfer within this period of time will constitute a breach of this Agreement. A person shall be deemed to have a "permanent disability" if his personal, active participation in the development and operation of Franchised Restaurants is for any reason curtailed for a continuous period of six months.

(2) Developer provides Church's notice of its intent to undertake the Transfer at least 30 days prior to the effective date of the Transfer, together with documents demonstrating that the Transfer meets the conditions of this Section.

(3) At the time of Developer's notice to Church's, Developer shall not be in default of this Agreement or any other agreements between Developer and Church's or its affiliates.

C. Transfers for Convenience of Ownership. If Developer is an individual or a partnership and desires to Transfer this Agreement to a corporation (or limited liability company) formed for the convenience of ownership, Developer must notify Church's and obtain Church's prior written approval. Church's approval will be conditioned on the following: **(1)** the corporation (or limited liability company) must be newly organized; **(2)** prior to the Transfer, Church's must receive a copy of the documents specified in Section 10.B. and the transferee shall comply with the remaining provisions of Section 10; and **(3)** Developer must own all voting securities of the corporation (or membership interests of the limited liability company) or if Developer is owned by more than one individual, each person shall have the same proportionate ownership interest in the corporation (or the limited liability company) as they had in this Agreement prior to the Transfer.

D. Grant of Security Interest. Developer shall not grant any security interest in its business or in this Agreement without Church's prior approval, which will not be unreasonably withheld.

E. Offerings by Developer. Securities in Developer may be sold, by private or public offering, only with Church's prior consent (whether or not Church's consent is required under any other provision of this Section). In addition to the requirements of Section 12.B., prior to the time that any public offering or private placement of securities in Developer is made available to potential investors, Developer, at its expense, shall deliver to Church's a copy of the offering documents. Developer, at its expense, also shall deliver to Church's an opinion of Developer's legal counsel (addressed to Church's and in a form acceptable to Church's) that the offering documents properly use the Proprietary Marks and accurately describe Developer's relationship with Church's and/or its affiliates. For each proposed offering, Developer shall pay Church's a non-refundable fee in the amount of $5,000 or such greater amount as is necessary to reimburse Church's for its reasonable costs and expenses associated with reviewing the proposed offering, including, but not limited to, legal and accounting fees. The indemnification provisions of Section 18 shall also include any losses or expenses incurred by Church's and its affiliates in connection with any statements made by or on behalf of Developer in any public offering or private placement of Developer's securities.

13. GENERAL RELEASE

Effective upon Developer's execution of this Agreement, Developer (on behalf of itself and its parent, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, agents and employees, in their corporate and individual capacities or, if Developer is an individual on behalf of himself/herself and his/her heirs, representatives, successors and assigns), all individuals who execute this Agreement (on behalf of themselves and their heirs, representatives, successors and assigns) and all guarantors of Developer's obligations under this Agreement (on behalf of themselves and their heirs, representatives, successors and assigns) (collectively "Developer Releasors") freely and without any influence forever release and covenant not to sue Church's, its parent, subsidiaries and affiliates and their respective past and present officers, directors, members, managers, shareholders, agents and employees, in their corporate and individual capacities (collectively "Church's Releasees"), from any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively "Claims"), which any Developer Releasor now owns or holds or may at any time have owned or held, including, without limitation, Claims arising under federal, state and local laws, rules and ordinances, Claims for contribution, indemnity and/or subrogation and Claims arising out of, or relating to this Agreement and all other agreements between any Developer Releasor and any Church's Releasee, the sale of a franchise to Developer, the development and operation of the Franchised Restaurants and the development and operation of all other restaurants operated by Developer or any guarantor that are franchised by Church's or its parent, subsidiaries or affiliates. This General Release does not release any Claims arising from representations made in Church's Franchise Disclosure Document and its exhibits. DEVELOPER, ON BEHALF OF ITSELF AND THE DEVELOPER RELEASORS, WAIVES ANY RIGHTS AND BENEFITS CONFERRED BY ANY APPLICABLE PROVISION OF LAW EXISTING UNDER ANY FEDERAL, STATE OR POLITICAL SUBDIVISION THEREOF WHICH WOULD INVALIDATE ALL OR ANY PORTION OF THE RELEASE CONTAINED HEREIN BECAUSE SUCH RELEASE MAY EXTEND TO CLAIMS THAT THE DEVELOPER RELEASORS DO NOT KNOW OR SUSPECT TO EXIST IN THEIR FAVOR AT THE TIME OF EXECUTION OF THIS AGREEMENT. DEVELOPER (ON BEHALF OF ITSELF AND THE DEVELOPER RELEASORS) EXPRESSLY AGREES THAT, WITH RESPECT TO THIS RELEASE, ANY AND ALL RIGHTS GRANTED UNDER SECTION 1542 OF THE CALIFORNIA CIVIL CODE ARE EXPRESSLY WAIVED, TO THE EXTENT APPLICABLE. THAT SECTION READS AS FOLLOWS: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

14. COVENANTS

A. Best Efforts. Developer and the Operating Principal shall devote their best efforts to the development, management and operation of the Franchised Restaurants in the Development Area.

B. Confidentiality.

(1) Developer acknowledges and agrees that: **(a)** Church's owns all right, title and interest in and to the System; **(b)** the System consists of trade secrets and confidential and proprietary information and know-how (including, but not limited to, drawings, materials, equipment, recipes, prepared mixtures or blends of spices or other food products, and other data which Church's deems confidential) that gives Church's and its affiliates a competitive advantage; **(c)** Church's and its affiliates have taken all measures necessary to protect the trade secrets and the confidentiality of the proprietary information and know-how comprising the System; **(d)** all material or other information now or hereafter provided or disclosed to Developer regarding the System is disclosed in confidence; **(e)** Developer has no right to disclose any part of the System to anyone who is not an employee of Developer; **(f)** Developer will disclose to its employees only those parts of the System that an employee needs to know; **(g)** Developer will have a system in place to ensure its employees keep confidential Church's trade secrets and confidential and proprietary information, and, if requested by Church's, Developer shall obtain from those of its employees designated by Church's an executed Confidential Disclosure Agreement in the form prescribed by Church's; **(h)** Developer will not acquire any interest in the System; and **(i)** Developer's use or duplication of the System or any part of the System in any other business would constitute an unfair method of competition, for which Church's would be entitled to all legal and equitable remedies, including injunctive relief, without posting a bond.

(2) Developer shall not, during the Development Term or for a period of two years thereafter (or, with respect to trade secrets, during the Development Term or any time thereafter), communicate or disclose any trade secrets or confidential or proprietary information or know-how of the System to any unauthorized person or entity, or do or perform, directly or indirectly, any other acts injurious or prejudicial to any of the Proprietary Marks or the System. Any and all information, knowledge, know-how and techniques, including all drawings, materials, equipment, specifications, recipes, techniques and other data that Church's or its affiliates designate as confidential shall be deemed confidential for purposes of this Agreement.

(3) If Developer develops any new concepts, processes or improvements relating to the System, Developer promptly shall notify Church's and provide Church's with all information regarding the new concept, process or improvement, all of which shall become the property of Church's and its affiliates and which may be incorporated into the System without any payment to Developer. Developer promptly shall take all actions deemed necessary and desirable by Church's to vest in Church's ownership of such concepts, processes or improvements.

C. Restrictions.

(1) Developer acknowledges and agrees that: **(a)** pursuant to this Agreement, Developer will have access to valuable trade secrets, specialized training and confidential information from Church's and its affiliates regarding the development, operation, purchasing, sales and marketing methods and techniques of Church's and its affiliates and the System; **(b)** the System and the opportunities, associations and experience established and acquired by Developer under this Agreement are of substantial and material value; **(c)** in developing the System, Church's and its affiliates have made and continue to make substantial investments of time, technical and commercial research, and money; **(d)** Church's would be unable to adequately protect the System and its trade secrets and confidential and proprietary information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information among Church's Restaurants if franchisees or developers were permitted to hold interests in competitive businesses; and **(e)** restrictions on Developer's right to hold interests in, or perform services for, competitive businesses will not hinder Developer's activities.

(2) Accordingly, Developer covenants and agrees that during the Development Term, Developer shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with, any person or entity:

(a) divert or attempt to divert any business or customer, or potential business or customer, of any restaurant franchised or operated by Church's or its affiliates to any competitor, by direct or indirect inducement or otherwise or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks or the System; or

(b) have an ownership interest in any restaurant business (other than a Church's Restaurant) that specializes in the sale of fried chicken.

(3) Developer further covenants that following the expiration or earlier termination of this Agreement, regardless of the cause for termination, Developer shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person or entity:

(a) for a period of two years, have an ownership interest in any restaurant business that specializes in the sale of fried chicken (other than a Church's Restaurant) and that is located **(i)** in the Development Area or **(ii)** within a 5-mile radius of the location of any other Church's Restaurant that is then in existence; or

(b) [Intentionally Deleted]

(4) The restrictions in Sections 14.C.(2)(d) and 14.C.(3)(a) shall not apply to Developer's existing restaurant or foodservice operations, if any, which are identified in Schedule 2, nor shall they apply to other restaurants operated by Developer that are franchised by Church's or its affiliates. If a court finds that any restriction in Section 14.C. does not comply with O.C.G.A § 13-8-53, then, pursuant to O.C.G.A. § 13-8-54, it is the intent of the parties that the court modify such restriction to the extent reasonably necessary to protect the legitimate business interests of Church's. If, at any time during the restrictive period following expiration or earlier termination of this Agreement, Developer fails to comply with its obligations under this Section, that period of noncompliance will not be credited toward Developer's completion of the restrictive period.

D. Modification. Church's shall have the right, in its sole discretion, to reduce the extent of any covenant in this Section effective immediately upon Developer's receipt of notice, and Developer shall be bound by the covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 21.

15. TERMINATION

A. Grounds for Termination. Church's may terminate this Agreement, and the rights granted by this Agreement, upon notice to Developer without an opportunity to cure upon the occurrence of any of the following events:

(1) Developer fails to comply with the Development Schedule for any reason, including failing to: **(a)** obtain Church's acceptance of a site by the applicable site acceptance date listed in Schedule 2; or **(b)** have open and operating the number of Franchised Restaurants required by the Development Schedule. A default under this Section 15.A.(1) shall not constitute a default under any existing Franchise Agreement between Developer and Church's or its affiliates.

(2) Developer begins construction of a Franchised Restaurant before: **(a)** Church's has approved the site for that Franchised Restaurant; **(b)** Developer has received notification from Church's that it has approved the Construction Plans for that Franchised Restaurant; **(c)** Developer has provided Church's a copy of the fully-executed lease or sublease for the Franchised Restaurant premises, or if Developer owns the premises, proof of Developer's ownership interest; and **(d)** Developer has procured the insurance coverages required by Section 8.

(3) Developer is insolvent or is unable to pay its creditors (including Church's); files a petition in bankruptcy, an arrangement for the benefit of creditors or a petition for reorganization; there is filed against Developer a petition in bankruptcy, an arrangement for the benefit of creditors or petition for reorganization, which is not dismissed within 60 days of the filing; Developer makes an assignment for the benefit of creditors; or a receiver or trustee is appointed for Developer and not dismissed within 60 days of the appointment.

(4) Execution is levied against Developer's business or property; suit to foreclose any lien or mortgage against the premises or equipment of any Franchised Restaurant developed hereunder is instituted against Developer and is not dismissed within 60 days; or the real or personal property of any Franchised Restaurant developed under this Agreement shall be sold after levy thereupon by any governmental authority.

(5) There is a material breach by Developer of any obligation under Section 14.

(6) Any Transfer that requires Church's prior approval occurs or purports to occur (or is attempted) without Developer having obtained that prior approval.

(7) Church's discovers that Developer made a material misrepresentation or omitted a material fact in the information that was furnished to Church's in connection with its decision to enter into this Agreement.

(8) Developer knowingly falsifies any report required to be furnished Church's or makes any material misrepresentation in its dealings with Church's or fails to disclose any material facts to Church's.

(9) Developer, the Operating Principal, any stockholder, member, partner, director or officer of Developer, any member of the Continuity Group or any 5% Owner is convicted of, or pleads no contest to, a felony charge, a crime involving moral turpitude, or any other crime or offense that is reasonably likely, in the sole opinion of Church's, to adversely affect Church's, its affiliates or the System.

(10) Developer, any affiliate of Developer, the Operating Principal, any member of the Continuity Group or any 5% Owner remains in default beyond the applicable cure period: **(a)** under any other agreement (including, without limitation, any Development Agreement, Franchise Agreement, Promissory Note or Guaranty) with Church's or its affiliates (provided that, if the default is not by Developer, Church's provides to Developer a notice of the default and a 30-day period to cure the default); **(b)** under any real estate lease, equipment lease, or financing instrument relating to a Franchised Restaurant; or **(c)** under any contract with any vendor or supplier to a Franchised Restaurant; provided that if the default is not by Developer, Developer is given notice of the default and 30 days to cure said default.

(11) There is a material breach by Developer of any representation or warranty set forth in Section 25.G-H.

(12) The assets, property, or interests of Developer, any Continuity Group member or any guarantor are blocked under any law, ordinance, or regulation relating to terrorist activities, or Developer, any Continuity Group member or any guarantor otherwise violate any such law, ordinance, or regulation.

(13) Developer fails or refuses to comply with any other provision of this Agreement or any requirement of the System and does not correct the failure or refusal within 30 days (10 days for monetary defaults) after receiving notice of default. Developer will be in default under this Section 15.A.(13) for any failure to materially comply with any of the requirements imposed by this Agreement or otherwise in writing, or to carry out the terms of this Agreement in good faith. If Developer has received a notice of default pursuant to this Section 15.A.(13) within the previous 12 months, Church's shall be entitled to send Developer a notice of termination upon Developer's next default under this Section 15.A.(13) within that 12-month period without providing Developer an opportunity to remedy that default.

B. Action Other Than Termination. If Church's has the right to terminate this Agreement under Section 15.A., then Church's may take any one or more of the following actions:

(1) reduce the number of Franchised Restaurants which Developer is required to establish pursuant to Section 3.A. of this Agreement;

(2) reduce the size of the Development Area;

(3) withhold evaluation or acceptance of site proposal packages and refuse to permit the opening of any Franchised Restaurant then under construction or not otherwise not ready to commence operations, pending satisfactory cure of any such default;

(4) accelerate the Development Schedule; and

(5) pursue any other remedies available under this Agreement (including termination) or at law or in equity.

16. OBLIGATIONS ON TERMINATION OR EXPIRATION

A. Upon termination or expiration of this Agreement:

(1) Developer shall have no further right to develop or open Franchised Restaurants in the Development Area. Termination or expiration of this Agreement shall not affect Developer's right to continue to operate Franchised Restaurants that were open and operating pursuant to a Franchise Agreement as of the date this Agreement terminated or expired.

(2) The rights granted Developer in the Development Area shall terminate and Church's shall have the right to operate or license others to operate restaurants identified in whole or in part by the names and marks "Church's" and "Church's Chicken" anywhere in the Development Area.

(3) Developer promptly shall return to Church's the Manual, any copies of the Manual and all other materials and information furnished by Church's or its affiliates, except materials and information furnished with respect to a Franchised Restaurant which is open and operating pursuant to an effective franchise agreement.

(4) Developer and all persons and entities subject to the covenants contained in Section 14 shall continue to abide by those covenants and shall not, directly or indirectly, take any action that violates those covenants.

(5) Developer immediately shall pay to Church's and its affiliates all sums due and owing to Church's or its affiliates pursuant to this Agreement. Developer also immediately shall pay all sums owed to key suppliers and to any lender that has provided financing to Developer under an arrangement with Church's.

(6) Church's shall retain the Development Fee.

(7) Developer shall furnish to Church's, within 30 days after the effective date of termination or expiration, evidence (certified to be true, complete, accurate and correct by the chief executive officer of Developer, if Developer is a corporation; by a manager of Developer, if Developer is a limited liability company; or by a general partner of Developer, if Developer is a partnership) satisfactory to Church's of Developer's compliance with Sections 16.A.(1) - (6).

(8) Developer shall not, except with respect to a restaurant franchised by Church's or its affiliates which is then open and operating pursuant to an effective franchise agreement: **(a)** operate or do business under any name or in any manner that might tend to give the public the impression that Developer is connected in any way with Church's or its affiliates or has any right to use the System or the Proprietary Marks; **(b)** make, use or avail itself of any of the materials or information furnished or disclosed by Church's or its affiliates under this Agreement or disclose or reveal any such materials or information or any portion thereof to anyone else; or **(c)** assist anyone not licensed by Church's or its affiliates to construct or equip a foodservice outlet substantially similar to a Church's Restaurant.

17. RELATIONSHIP OF THE PARTIES

A. This Agreement does not create a fiduciary or other special relationship between the parties. No agency, employment, or partnership is created or implied by the terms of this Agreement, and Developer is not and shall not hold itself out as agent, legal representative, partner, subsidiary, joint venturer or employee of Church's or its affiliates. Developer shall have no right or power to, and shall not, bind or obligate Church's or its affiliates in any way or manner, nor represent that Developer has any right to do so.

B. Developer is an independent contractor and is solely responsible for all aspects of the development and operation of the Franchised Restaurants, subject only to the conditions and covenants established by this Agreement and the Franchise Agreements. Without limiting the generality of the foregoing, Developer acknowledges that Church's has no responsibility to ensure that the Franchised Restaurants are developed in compliance with all applicable laws, ordinances and regulations and that Church's shall have no liability in the event the development or operation of the Franchised Restaurants violates any law ordinance or regulation.

C. The sole relationship between Developer and Church's is a commercial, arms' length business relationship and, except as provided in Section 18, there are no third party beneficiaries to this Agreement. Developer's business is, and shall be kept, totally separate and apart from any that may be operated by Church's. In all public records, in relationships with other persons, and on letterheads and business forms, Developer shall indicate its independent ownership of the Franchised Restaurants and that Developer is solely a franchisee of Church's.

18. INDEMNIFICATION

A. Developer and all guarantors of Developer's obligations under this Agreement shall, at all times, indemnify, defend (with counsel reasonably acceptable to Church's), and hold harmless (to the fullest extent permitted by law) Church's and its affiliates, and their respective successors, assigns, past and present stockholders, directors, officers, employees, agents and representatives (collectively "Indemnitees") from and against all "losses and expenses" (as defined below) incurred in connection with any action, suit, proceeding, claim, demand, investigation, inquiry (formal or informal), judgment or appeal thereof by or against Indemnitees or any settlement thereof (whether or not a formal proceeding or action had been instituted), arising out of or resulting from or connected with Developer's activities under this Agreement, excluding the gross negligence or willful misconduct of Church's. Developer promptly shall give Church's written notice of any such action, suit, proceeding, claim, demand, inquiry or investigation filed or instituted against Developer and shall furnish Church's with copies of any documents from such matters as Church's may request.

B. At Developer's expense and risk, Church's may elect to assume (but under no circumstances will Church's be obligated to undertake), the defense and/or settlement of any action, suit, proceeding, claim, demand, investigation, inquiry, judgment or appeal thereof subject to this indemnification. Such an undertaking shall, in no manner or form, diminish Developer's obligation to indemnify and hold harmless Church's and Indemnitees. Church's shall not be obligated to seek recoveries from third parties or otherwise mitigate losses.

C. As used in this Section, the phrase "losses and expenses" includes, but is not limited to, all losses; compensatory, exemplary and punitive damages; fines; charges; costs; expenses; lost profits; reasonable attorneys' fees; expert witness fees; court costs; settlement amounts; judgments; compensation for damages to Church's reputation and goodwill; costs of or resulting from delays; financing; costs of advertising material and media time/space and the costs of changing, substituting or replacing the same; and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

19. CONSENTS, APPROVALS AND WAIVERS

A. Whenever this Agreement requires the prior approval or consent of Church's, Developer shall make a timely written request to Church's therefor; and any approval or consent received, in order to be effective and binding upon Church's, must be obtained in writing and be signed by an authorized officer of Church's.

B. Church's makes no warranties or guarantees upon which Developer may rely by providing any waiver, approval, consent or suggestion to Developer in connection with this Agreement, and assumes no liability or obligation to Developer therefor, or by reason of any neglect, delay, or denial of any request therefor. Church's shall not, by virtue of any approvals, advice or services provided to Developer, assume responsibility or liability to Developer or to any third parties to which Church's would not otherwise be subject.

C. No failure of Church's to exercise any power reserved to it by this Agreement or to insist upon strict compliance by Developer with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms of this Agreement, shall constitute a waiver of Church's right to demand exact compliance with any of the terms of this Agreement. A waiver by Church's of any particular default by Developer shall not affect or impair Church's rights with respect to any subsequent default of the same, similar or different nature, nor shall any delay, forbearance or omission of Church's 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 Church's right to exercise the same, nor shall such constitute a waiver by Church's of any right hereunder, or the right to declare any subsequent breach or default and to terminate this Agreement prior to the expiration of the Development Term. Subsequent acceptance by Church's of any payments due to it hereunder shall not be deemed to be a waiver by Church's of any preceding breach by Developer of any terms, covenants or conditions of this Agreement.

20. NOTICES

Unless otherwise specified in this Agreement, no notice, demand, request or other communication to the parties shall be binding upon the parties or effective hereunder unless the notice is in writing, refers specifically to this Agreement and is addressed to: **(A)** if to Developer, addressed to Developer at the notice address set forth in Schedule 2; and **(B)** if to Church's, addressed to Cajun Global LLC, 980 Hammond Drive, N.E., Suite 100, Atlanta, Georgia 30328-6161 (Attn: Office of General Counsel) (ogclegal@churchs.com). Any party may designate a new address for notices by giving notice of the new address pursuant to this Section. Notices shall be effective upon receipt (or first rejection) and may be:

(1) delivered personally; **(2)** transmitted by electronic mail to the address set forth above (or in Schedule 2); **(3)** mailed in the United States mail, postage prepaid, certified mail, return receipt requested; or **(4)** mailed via overnight courier. Notwithstanding the foregoing, Church's may amend the Manual, give binding notice of changes to the System, and deliver notices of default by electronic mail to the address set forth in Schedule 2.

21. ENTIRE AGREEMENT

This Agreement, and the attachments hereto, constitute the entire, full and complete agreement between the parties concerning Developer's rights in the Development Area and Church's acceptance of sites for Franchised Restaurants, and supersede any and all prior or contemporaneous negotiations, discussions, understandings or agreements. There are no other representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Agreement other than those set forth in this Agreement and in the attachments to this Agreement. Nothing in this agreement requires Developer to waive reliance on any representations made by Church's in its Franchise Disclosure Document that Church's furnished to Developer. No obligations or duties that contradict or are inconsistent with the express terms of this Agreement may be implied into this Agreement. Except as expressly set forth in this Agreement, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed in writing.

22. SEVERABILITY AND CONSTRUCTION

A. Each article, paragraph, subparagraph, term and condition of this Agreement, and any portions thereof, will be considered severable. If, for any reason, any portion of this Agreement is determined to be invalid, contrary to, or in conflict with, any applicable present or future law, rule or regulation in a final, unappealable ruling issued by any court, agency or tribunal with valid jurisdiction in a proceeding to which Church's is a party, that ruling will not impair the operation of, or have any other effect upon, any other portions of this Agreement; all of which will remain binding on the parties and continue to be given full force and effect.

B. Except as otherwise provided in Section 18, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or entity other than Developer and Church's and its affiliates and such of their heirs, successors and assigns, any rights or remedies under or by reason of this Agreement.

C. Developer expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law that is subsumed within the terms of any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions of this Agreement any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which Church's 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. No provision of this Agreement shall be interpreted in favor of, or against, any party because of the party that drafted this Agreement.

23. GOVERNING LAW, FORUM AND LIMITATIONS

A. This Agreement and any claim or controversy arising out of, or relating to, rights and obligations of the parties under this Agreement and any other claim or controversy between the parties shall be governed by and construed in accordance with the laws of the State of Georgia without regard to conflicts of laws principles; provided, however, that if the covenants contained in Section 14 of this Agreement would not be enforceable under the laws of Georgia, and the Development Area in located outside of Georgia, then such covenants shall be interpreted and construed under the laws of the state where Developer operates the Franchised Restaurants developed under this Agreement, or, the laws of the state in which Developer is domiciled if Developer is not operating any Franchised Restaurants. Nothing in this Section is intended, or shall be deemed, to make any Georgia law regulating the offer or sale of franchises or the franchise relationship applicable to this Agreement if such law would not otherwise be applicable.

B. The parties agree that Developer shall file any suit against Church's only in the federal or state court having jurisdiction where Church's principal offices are located at the time suit is filed. Church's may file suit in the federal or state court located in the jurisdiction where its principal offices are located at the time suit is filed or in the jurisdiction where Developer resides or does business or where the Development Area or any Franchised Restaurant is or was located or where the claim arose. Developer consents to the personal jurisdiction of those courts over Developer and to venue in those courts.

C. Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or proceeding (including the offer and sale of a franchise to Developer) brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of two years after the initial occurrence of any act or omission that is the basis of the legal action or proceeding, whenever discovered.

D. DEVELOPER AND CHURCH'S WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST EACH OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN THEM, EACH SHALL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY IT. DEVELOPER AND CHURCH'S WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO BRING, OR BE A CLASS MEMBER IN, ANY CLASS ACTION SUITS AND THE RIGHT TO TRIAL BY JURY.

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

F. Developer recognizes that its failure to comply with the terms of this Agreement, including, but not limited to, the failure to fully comply with all post-termination obligations, is likely to cause irreparable harm to Church's, its affiliates and the System. Therefore, Developer agrees that, in the event of a breach or threatened breach of any of the terms of this Agreement by Developer, Church's shall be entitled to injunctive relief (both preliminary and permanent) restraining that breach and/or to specific performance without showing or proving actual damages and without posting any bond or security. Any equitable remedies sought by Church's shall be in addition to, and not in lieu of, all remedies and rights that Church's otherwise may have arising under applicable law or by virtue of any breach of this Agreement.

G. No right or remedy conferred upon or reserved to Church's or Developer 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. The provisions of this Section 24 shall survive the expiration or earlier termination of this Agreement.

H. To the extent the provisions of this Agreement provide periods of notice less than those required by applicable law or provide for termination, cancellation, nonrenewal, transfer or succession other than in accordance with applicable law, such provisions shall, to the extent they are not in accordance with applicable law, be superseded by such law, but only to such extent.

24. MISCELLANEOUS

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

B. Captions. 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 of this Agreement.

C. Counterparts. This Agreement may be executed in counterparts, and each copy so executed and delivered shall be deemed an original.

D. Time. Time is of the essence of this Agreement for each provision in which time is a factor. Whenever this Agreement refers to a period of days or months, the first day or month to be counted shall be the day or month of the designated action, event or notice. Days shall be measured by calendar days, except that if the last day of a period is a Saturday, Sunday or national holiday, the period automatically shall be extended to the next day that is not a Saturday, Sunday or national holiday.

E. Publicity. Developer shall not issue any press releases without the prior approval of Church's.

F. Variations. Church's has the right, in its sole discretion, to waive, defer, or permit variations from the standards of the System or any applicable agreement to any developer, franchisee, prospective developer, or prospective franchisee based on the peculiarities of a particular site, existing building configuration or circumstance, density of population, business potential, trade area population or any other condition or circumstance. Church's has the right, in its sole discretion, to deny any such request Church's believes would not be in the best interests of the System.

G. Delegation. Church's has the right, from time to time, to delegate the performance of any portion or all of its rights, obligations and duties under this Agreement to designees, whether affiliates or agents of Church's or independent contractors with which Church's has contracted to provide this service. Such obligations and duties may include, but are not limited to, fulfilling all of Church's obligations to Developer, offering and negotiating renewal development agreements and otherwise furnishing assistance to Developer.

25. REPRESENTATIONS

Developer represents, acknowledges and warrants to Church's (and Developer agrees that these representations, acknowledgments and warranties shall survive termination of this Agreement) that:

A. This Agreement involves significant legal and business rights and risks. Church's does not guarantee Developer's success. Developer has read this Agreement in its entirety, conducted an independent investigation of the business contemplated by this Agreement, has been thoroughly advised with regard to the terms and conditions of this Agreement by legal counsel or other advisors of Developer's choosing, recognizes that the nature of the business conducted by Church's Restaurants may change over time, has had ample opportunity to investigate all representations made by or on behalf of Church's, and has had ample opportunity to consult with current and former franchisees of Church's. The prospect for success of the business undertaken by Developer is speculative and depends to a material extent upon Developer's personal commitment, capability and direct involvement in the day-to-day management of the business.

B. The acceptance of one or more sites by Church's and its refusal to accept other sites is not a representation or warranty of any kind that the Authorized Site(s), will achieve a certain sales volume or a certain level of profitability, or that the Authorized Site(s), will have a higher sales volume or be more profitable than a site which Church's did not accept. Acceptance by Church's merely means that the minimum criteria that Church's has established for identifying suitable sites for proposed Church's Restaurants have been met. Developer agrees that Church's acceptance or rejection of a proposed site, whether or not a site acceptance request is completed and/or submitted to Church's shall not impose any liability or obligation on Church's. The decision to accept or reject a particular site is Developer's, subject to Church's acceptance. Preliminary acceptance of a proposed site by any representative of Church's is not conclusive or binding, because his or her recommendation may be rejected by Church's.

C. Church's assumes no liability or responsibility for: **(1)** evaluation of an Authorized Site's soil for hazardous substances; **(2)** inspection of any structure on the Authorized Site for asbestos or other toxic or hazardous materials; **(3)** compliance with the ADA; or **(4)** compliance with any other applicable law. It is Developer's sole responsibility to obtain satisfactory evidence and/or assurances that the Authorized Site (and any structures thereon) is free from environmental contamination and complies with the ADA and all other applicable laws.

D. Developer shall not rely upon any opinions expressed by Church's or any of its officers, directors, stockholders, employees or agents regarding structural integrity, safety or construction procedures, building codes or ordinances or other matters properly within the responsibility of Developer and its architect. The duties of Church's construction representatives are limited solely to ensuring that development plans and other requirements under this Agreement and the Franchise Agreement are met. Church's and its employees do not act as an architect or agent of Developer. Church's assumes no liability or responsibility for architectural or engineering plans or judgments outside the scope of the duties stated above. Church's final inspection and authorization to open a Franchised Restaurant is not a representation or a warranty that a Franchised Restaurant has been constructed in accordance with any architectural, engineering or legal standards for design or workmanship. It merely means that Church's is satisfied that the minimum requirements which Church's has established for consistency of design and layout have been met. Developer agrees that Church's final inspection and authorization to open a Franchised Restaurant shall not impose any liability or responsibility on Church's.

E. Church's makes no express or implied warranties or representations that Developer will achieve any degree of success in the development or operation of Franchised Restaurants and that success in the development and operation of Franchised Restaurants depends ultimately on Developer's efforts and abilities and on other factors, including, but not limited to, market and other economic conditions, Developer's financial condition and competition.

F. Church's has entered, and will continue to enter, into agreements with other developers and franchisees. The manner in which Church's enforces its rights, and the developers' or franchisees' obligations, under any of those other agreements shall not affect the ability of Church's to enforce its rights or Developer's obligations under this Agreement.

G. All information Developer provided to Church's in connection with Developer's franchise application and Church's grant to Developer of the opportunity to develop Church's Restaurants is truthful, complete and accurate.

H. The persons signing this Agreement on behalf of Developer have full authority to enter into this Agreement and the other agreements contemplated by the parties, including the Franchise Agreement. Execution of this Agreement or such other agreements by Developer does not and will not conflict with or interfere with, directly or indirectly, intentionally or otherwise, with the terms of any other agreement with any other third party to which Developer or any person with an ownership interest in Developer is a party.

I. Developer acknowledges receipt of Church's Franchise Disclosure Document at least 14 days prior to execution of this Agreement or payment of any monies to Church's

J. Developer has not received from Church's or its affiliates, or anyone acting on their behalf, any representation of Developer's potential sales, expenses, income, profit or loss.

K. Developer has not received from Church's or its affiliates, or anyone acting on their behalf, any representations other than those contained in Church's Franchise Disclosure Document as inducements to enter this Agreement.

L. Even though this Agreement contains provisions requiring Developer to develop the Franchised Restaurants in compliance with the System: **(1)** Church's and its affiliates do not have actual or apparent authority to control the day-to-day conduct and operation of Developer's business or employment decisions; and **(2)** Developer and Church's do not intend for Church's or its affiliates to incur any liability in connection with or arising from any aspect of the System or Developer's use of the System whether or not in accordance with the requirements of the Manual.

M. In the event of a dispute between Church's and Developer, the parties have waived their right to a jury trial.

N. Neither Developer nor any of member of the Continuity Group or any guarantor **(1)** have been designated as suspected terrorists under U.S. Executive Order 13244 or any similar law; **(2)** are identified, either by name or an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control; or **(3)** have violated (and Developer and its Continuity Group members and guarantors commit to not violate in the future) any law (in effect now or which may become effective in the future) prohibiting corrupt business practices, money laundering or the aid or support of persons who conspire to commit acts of terror against any person or government, including acts prohibited by U.S. Executive Order 13244, the Foreign Corrupt Practices Act, or any similar law.

O. Developer understands and agrees that Church's may operate and change the System and its business in any manner that is not expressly and specifically prohibited by this Agreement. Whenever Church's has expressly reserved in this Agreement or is deemed to have a right and/or discretion to take or withhold an action, or to grant or decline to grant Developer a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, Church's may make such decision or exercise its right and/or discretion on the basis of Church's judgment of what is in Church's best interests, including without limitation Church's judgment of what is in the best interests of the franchise network, at the time Church's decision is made or its right or discretion is exercised, without regard to whether: **(1)** other reasonable alternative decisions or actions, or even arguably preferable alternative decisions or actions, could have been made by Church's; **(2)** Church's decision or the action taken promotes Church's financial or other individual interest; **(3)** Church's decision or the action it takes applies differently to Developer and one or more other Developers or Church's company-owned or affiliate-owned operations; or **(4)** Church's decision or the exercise of its right or discretion is adverse to Developer's interests. In the absence of an applicable statute, Church's will have no liability to Developer for any such decision or action. Church's and Developer intend that the exercise of Church's right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, Church's and Developer agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants Church's the right to make decisions, take actions and/or refrain from taking actions not inconsistent with Developer's rights and obligations hereunder.

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ___________________________________
Print Name: ____________________________
Title: __________________________________
Date: __________________________________

DEVELOPER:

____

By: ___________________________________
Print Name: ______________________
Title: _________________________________
Date: _________________________________

SCHEDULE 1

DEVELOPMENT AREA

The Development Area shall be the

Developer's rights in the Development Area shall be subject to the limitations described in Section 2. Any political boundaries contained in the description of the Development Area shall be considered fixed as of the date of this Agreement and shall not change notwithstanding a political reorganization or a change in those boundaries. Unless otherwise specified, all street boundaries shall be deemed to include both sides of the street.

SCHEDULE 2

DEVELOPMENT INFORMATION

1. **Development Fee (Section 4)**. The Development Fee paid by Developer is $10,000 per Franchised Restaurant required to be opened.

2. **Initial Franchise Fee (Section 3.B.).** The Initial Franchise Fee to be paid by Developer is $15,000 per Franchised Restaurant.

3. **Development Schedule (Section 3)**. Developer shall develop and continue to operate a minimum of ______ Franchised Restaurants in the Development Area, in accordance with the following schedule:

Site Acceptance Date	Opening Date	Cumulative Number of Franchised Restaurants To Be Open And Operating Pursuant to this Development Agreement On The Opening Date

4. **Interests in Other Restaurants Specializing in the Sale of Fried Chicken (Section 14.C.4)**. ___
____
____
____
____

5. **Developer's Physical Address (no P.O. Box) (Section 20)**.

____
____
____

6. **Developer's E-mail Address (Section 20):** ________________________________

SCHEDULE 3

LISTING OF OWNERSHIP INTERESTS IN DEVELOPER

Name of Developer:____

Effective Date: This Schedule 3 is current and complete as of _________________________________ (date developer completes form).

1. Form of Ownership.

If Developer is an entity, please fill out the below information.

Corporation, Limited Liability Company, or Partnership. Developer is a _____________________________________ (type of entity) incorporated or formed on ___________________________________ (date of incorporation/formation), under the laws of _____________________________ (state of incorporation/formation). The following is a list, as applicable, of Developer's directors and/or officers as of the effective date shown above:

Name of Each Director or Officer	Position(s) Held
___________________________	_______________________________
___________________________	_______________________________
___________________________	_______________________________
___________________________	_______________________________

2. Owners. The following list includes the full name of each person who is an owner of a legal or beneficial interest in Developer (a shareholder, member or partner), and the percentage of ownership each holds (attach additional pages if necessary).

Name/Address (no P.O. Box)	Percentage Interest
___________________________ ___________________________ ___________________________	________%
___________________________ ___________________________ ___________________________	________%
___________________________ ___________________________ ___________________________	________%
___________________________	________%

____

____

3. Operating Principal. Developer's Operating Principal as of the Effective Date is ____ (Name of individual designated per Section 10.G above).

4. Continuity Group. Developer's Continuity Group (owners of at least 51% of Developer) is comprised of the following persons or entities:

   ____
   (name of person or persons holding at least 51% of stock, membership interest or limited partnership interest in Developer, per Section 10.E above).

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Schedule 2 as of the day and year set forth below.

____
(Name of Developer)

By: _______________________________________
(Name of person signing on behalf of Developer, if an entity)

Title: ______________________________________
Date: ______________________________________

Exhibit A
GUARANTY AGREEMENT
(Development Agreement)

This Guaranty Agreement (this "Guaranty") is executed by________________, a resident of ______________________ ("Guarantor") in favor of Cajun Global LLC, a Delaware limited liability company, d/b/a Church's Chicken ("Church's").

Recitals

A. _________________________ ("Developer") has entered into a Development Agreement with Church's (the "Agreement"; capitalized terms used in this Guaranty but not defined herein have the meanings given in the Agreement).

B. Guarantor owns an equity interest in Developer, and as such is a direct beneficiary of the Agreement.

C. In order to induce Church's to execute the Agreement, Guarantor desires to guarantee the obligations of Developer to Church's as set forth herein.

NOW THEREFORE, in consideration of Church's execution of the Agreement, as well as the agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor agrees as follows:

1. Guaranty. Guarantor hereby unconditionally guarantees to Church's and its successors and assigns that Developer shall pay and perform every undertaking, agreement and covenant set forth in the Agreement and further guarantees every other liability and obligation of Developer to Church's, whether or not contained in the Agreement. Guarantor shall render any payment or performance required under the Agreement or any other agreement between Developer and Church's upon demand from Church's.

2. Waiver. Guarantor waives (a) acceptance and notice of acceptance by Church's of this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations of Developer; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right Guarantor may have to require that an action be brought against Developer or any other person or entity as a condition of liability hereunder; (e) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Developer arising as a result of the execution of and performance under this Guaranty by the undersigned; (f) any law or statute which requires that Church's make demand upon, assert claims against or collect from Developer or any other person or entity (including any other guarantor), foreclose any security interest, sell collateral, exhaust any remedies or take any other action against Developer or any other person or entity (including any other guarantor) prior to making any demand upon, collecting from or taking any action against the undersigned with respect to this Guaranty; and (g) any and all other notices and legal or equitable defenses to which Guarantor may be entitled.

3. Confidentiality.

(a) Guarantor acknowledges and agrees that: (i) Church's owns all right, title and interest in and to the System; (ii) the System consists of trade secrets and confidential and proprietary information and know-how (including, but not limited to, drawings, materials, equipment, recipes, prepared mixtures or blends of spices or other food products and other data which Church's deems confidential) that gives Church's and its affiliates a competitive advantage; (iii) Church's and its affiliates have taken all measures necessary to protect the trade secrets and the confidentiality of the proprietary information and know-how comprising the System; (iv) all material or other information now or hereafter provided or disclosed to Guarantor regarding the System is disclosed in confidence; (v) Guarantor will not acquire any interest in the System; and (vi) Guarantor's use or duplication of the System or any part of the System in any other business would constitute an unfair method of competition, for which Church's would be entitled to all legal and equitable remedies, including injunctive relief, without posting a bond.

(b) Guarantor shall not, during the Development Term or for a period of two years thereafter (or, with respect to trade secrets, at any time during or after the Development Term), communicate or disclose any trade secrets or confidential or proprietary information or know-how of the System to any unauthorized person or entity, or do or perform, directly or indirectly, any other acts injurious or prejudicial to any of the Proprietary Marks or the System. Any and all information, knowledge, know how and techniques, including all drawings, materials, equipment, specifications, recipes, techniques and other data that Church's or its affiliates designate as confidential shall be deemed confidential for purposes of this Guaranty.

4. Covenants.

(a) During the Development Term, Guarantor shall not, either directly or indirectly, for Guarantor, or through, on behalf of, or in conjunction with, any person or entity:

(i) divert or attempt to divert any business or customer, or potential business or customer, of any restaurant franchised or operated by Church's or its affiliates to any competitor, by direct or indirect inducement or otherwise or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks or the System;

(ii) knowingly employ or seek to employ any person then employed by Church's or any franchisee of Church's, or otherwise directly or indirectly induce such person to leave his or her employment, without Church's prior consent;

(iii) knowingly employ or seek to employ any person employed by Church's or any franchisee of Church's for six (6) months after such person leaves the employ of Church's or any franchisee of Church's, without Church's prior consent; or

(iv) have an ownership interest in any restaurant business (other than a Church's Restaurant) that specializes in the sale of fried chicken.

(b) Following the expiration or earlier termination of the Agreement, regardless of the cause for termination, Guarantor shall not, either directly or indirectly, for Guarantor, or through, on behalf of, or in conjunction with any person or entity:

(i) for a period of two years, have an ownership interest in any restaurant business (other than a Church's Restaurant) that specializes in the sale of fried chicken and that is located in the Development Area or located within a 5-mile radius of any location of a Church's Restaurant that is then in existence; or

(ii) for a period of one year, employ or seek to employ any person who is, at the time, employed by Church's or by any other Church's franchisee, or otherwise, directly or indirectly, induce such person to leave his or her employment, without Church's prior consent.

(c) The restrictions in Sections 4(a)(iv) and 4(b)(i) shall not apply to Developer's existing restaurant or foodservice operations, if any, which are identified in Schedule 1 to the Agreement, nor shall such restrictions apply to other restaurants operated by Developer that are franchised by Church's or its affiliates. If a court finds that any restriction in Section 4(a) or 4(b) does not comply with O.C.G.A § 13-8-53, then, pursuant to O.C.G.A. § 13-8-54, it is the intent of the parties that the court modify such restriction to the extent reasonably necessary to protect the legitimate business interests of Church's. If, at any time during the restrictive period following the expiration or earlier termination of the Agreement, Guarantor fails to comply with Guarantor's obligations under this Section, that period of noncompliance will not be credited toward Guarantor's completion of the restrictive period.

(d) Church's shall have the right, in its sole discretion, to reduce the extent of any covenant in this Section effective immediately upon Guarantor's receipt of notice, and Guarantor shall be bound by the covenant as so reduced.

5. Modification of Agreement. Guarantor agrees that Guarantor's liability hereunder shall not be diminished, relieved or otherwise affected by (a) any amendment of the Agreement, (b) any extension of time, credit or other indulgence which Church's may from time to time grant to Developer or to any other person or entity, or (c) the acceptance of any partial payment or performance or the compromise or release of any claims.

6. Governing Law and Jurisdiction.

(a) This Guaranty and any claim or controversy arising out of, or relating to, rights and obligations of the parties under this Guaranty and any other claim or controversy between the parties shall be governed by and construed in accordance with the laws of the State of Georgia without regard to conflicts of laws principles. Nothing in this Section is intended, or shall be deemed, to make any Georgia law regulating the offer or sale of franchises or the franchise relationship applicable to this Guaranty if such law would not otherwise be applicable.

(b) Church's may file suit in the federal or state court located in the jurisdiction where its principal offices are located at the time suit is filed or in the jurisdiction where Guarantor resides or does business or where the Franchised Restaurant is or was located or where the claim arose. Guarantor consents to the personal jurisdiction of those courts over Guarantor and to venue in those courts.

7. Miscellaneous. This Guaranty shall inure to the benefit of and be binding upon the parties and their respective heirs, legal representatives, successors and assigns. Church's may assign this Guaranty, in whole or in part. Any assignment shall not release the undersigned from this Guaranty. If more than one person signs this Guaranty as guarantor, then the liability of each such guarantor shall be joint and several, and the covenants in Sections 3 and 4 shall apply to each guarantor individually. This Guaranty shall continue in full force and effect until expressly released by Church's.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has/have executed and delivered this Agreement as of the dates set forth below.

WITNESS:

____
Name: ________________________

GUARANTOR:

____
Name:_________________________________
Address: ______________________________
____
____
Date: ________________________________

EXHIBIT H

AMENDMENT TO DEVELOPMENT AGREEMENT
(EXCLUSIVE)

AMENDMENT TO CHURCH'S CHICKEN DEVELOPMENT AGREEMENT

This Amendment to the Church's Chicken Development Agreement dated this _____ day of _________________, 20__, between Cajun Global LLC, d/b/a Church's Chicken, a Delaware limited liability company ("Church's"), and _________________, a ____________ _______________ ("Developer"), is entered into simultaneously with the execution of the Development Agreement.

RECITALS:

A. Church's and Developer have entered into the Development Agreement, pursuant to which Developer is authorized to develop Franchised Restaurants in the Development Area.

B. The parties desire to amend the Development Agreement to provide for limited exclusivity rights to Developer.

NOW THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Development Agreement as follows:

1. Section 2 of the Development Agreement is hereby deleted and replaced with the following:

2. LIMITED EXCLUSIVE RIGHTS

A. Church's reserves the rights to: **(a)** operate and license others to operate restaurants identified in whole or in part by the names and marks "Church's" and/or "Church's Chicken" in the Development Area that are located in airports, train stations, bus stations, travel plazas, stadiums, arenas, convention centers, military facilities, schools, colleges, universities, hospitals, recreational theme parks, business or industrial foodservice venues, food courts, enclosed shopping malls and retail centers, venues in which foodservice is or may be provided by a master concessionaire or contract foodservice provider, Indian reservations, casinos or any similar captive market location; **(b)** award national or regional licenses to third parties to sell products under the names and marks "Church's" and "Church's Chicken" in foodservice facilities primarily identified by the third party's trademark; **(c)** develop and operate, and license others to develop and operate, restaurants other than restaurants identified in whole or in part by the names and marks "Church's" and "Church's Chicken" in the Development Area; **(d)** acquire or be acquired by a restaurant chain or system that operates and/or franchises restaurants in the Development Area that are the same as, similar to or compete with Church's Restaurants in that they have a substantially similar menu or similar theme or concept; **(e)** merchandise and distribute products identified by some or all of the Proprietary Marks in the Development Area through any method or channel of distribution other than restaurants; **(f)** sell and distribute products identified by some or all of the Proprietary Marks in the Development Area to restaurants other than restaurants identified in whole or in part by the names and marks "Church's" and "Church's Chicken," provided those restaurants are not licensed to use the Proprietary Marks or the System in connection with their retail sales, **(g)** sell and license others to sell products identified by some or all of the Proprietary Marks in the Development Area through temporary facilities in connection with any cultural, sporting, recreational, or other event; and **(h)** license others to operate restaurants identified in whole or in part by the names and marks "Church's" and/or "Church's Chicken" in the Development Area pursuant to any development agreement executed prior to the date hereof.

B. Except as reserved in the preceding paragraph, Church's will not, during the Development Term, operate or license others to operate restaurants identified in whole or in part by the names and marks "Church's" and "Church's Chicken" in the Development Area, provided Developer is in compliance with the terms of this Agreement and any other agreements with Church's or its affiliates and is current on all obligations due Church's and its affiliates. This Section 2 does not prohibit Church's or its affiliates from: **(a)** operating and licensing others to operate, during the Development Term, restaurants identified in whole or in part by the names and marks "Church's" and "Church's Chicken" at any location outside of the Development Area; **(b)** operating and licensing others to operate, after this Agreement terminates or expires, restaurants identified in whole or in part by the names and marks "Church's" and "Church's Chicken" at any location; and **(c)** operating and licensing others to operate at any location, during or after the Development Term, any type of restaurant other than a restaurant identified in whole or in part by the names and marks "Church's" and "Church's Chicken."

C. Nothing in this Agreement shall prohibit Church's or its affiliates from operating or licensing a restaurant at any location in or outside the Development Area, other than a restaurant in the Development Area that is identified in whole or in part by the names and marks "Church's" and "Church's Chicken."

2. Section 15.B. of the Development Agreement is hereby amended by inserting the following new subsection:

(6) terminate the territorial exclusivity granted Developer in Section 2.B. hereof or reduce the area of territorial exclusivity granted Developer hereunder;

3. Any capitalized terms that are not defined in this Amendment shall have the meaning given them in the Development Agreement.

4. Except as modified by the Amendment, the Development Agreement remains unmodified and in full force and effect.

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ______________________________
Louis J. (Dusty) Profumo
Executive Vice President, Treasurer

DEVELOPER:

____

By: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

EXHIBIT I

LIST OF FRANCHISEES; LIST OF DEVELOPERS; LIST OF FRANCHISEES WHO HAD AN OUTLET CLOSE IN FY 2021

List of Franchisees as of December 26, 2021

Rest #	Address	City	State	Zip	Restaurant Phone	Franchise Entity
10255	1518 E 3 Notch Street	Andalusia	AL	36420	334-222-9161	Wyatt Restaurant Group, LLC
9923	1428 Forestdale Blvd.	Birmingham	AL	35214	205-798-1221	Seacrest Investments, Inc.
1603	90 South Blvd.	Brewton	AL	36426	251-867-3222	Wyatt Restaurant Group, LLC
1595	2266 W. Pushmataha St	Butler	AL	36904	205-459-7788	Terry & Karen White Enterprises, Inc.
1284	507 North Oates	Dothan	AL	36303	334-793-3556	Terry & Karen White Enterprises, Inc.
4964	1316 Hwy 80	E. Demopolis	AL	36732	334-289-7010	Wyatt Restaurant Group, LLC
7311	1106 Boll Weevil Circle	Enterprise	AL	36330	334-348-9098	Wyatt Restaurant Group, LLC
10636	325 S. Eufaula Avenue	Eufaula	AL	36027	334-687-5172	Ephrath, Inc.
1598	119 Greensboro Street	Eutaw	AL	35462	205-372-2574	Terry & Karen White Enterprises, Inc.
3977	312 East Front Street	Evergreen	AL	36401	251-578-1993	Wyatt Restaurant Group, LLC
1600	313 S. Main Street	Linden	AL	36748	334-295-5636	Terry & Karen White Enterprises, Inc.
458	3171 Moffatt Road	Mobile	AL	36607	251-450-2373	QSR Southern Group, LLC
1592	5017 Cottage Hill Road	Mobile	AL	36609	251-661-2884	QSR Southern Group, LLC
5667	670 N. Schillinger Road	Mobile	AL	36608	251-776-7366	Clark Oil Company, Inc.
10886	465 South Broad Street	Mobile	AL	36603	205-307-5412	TW Jrâ€™s. Enterprises, Inc.
3782	2948 South Alabama Ave.	Monroeville	AL	36461	251-575-9695	Wyatt Restaurant Group, LLC
10971	1200 Columbus Parkway	Opelika	AL	36804	334-737-0111	Circle K Stores Inc.
10256	805 E. Cummings Drive	Opp	AL	36467	334-493-9292	Wyatt Restaurant Group, LLC
1285	1164 Andrews Avenue	Ozark	AL	36360	334-774-9089	Wyatt Restaurant Group, LLC
1620	7370 Old Pascagoula	Theodore	AL	36582	251-653-6073	QSR Southern Group, LLC
5878	1290 W. Front Street North	Thomasville	AL	36784	334 636-8182	TW JRS Enterprises, Inc.
11333	1108 US 231 South	Troy	AL	36081	334-770-0609	Wyatt Restaurant Group, LLC
146	1801 Greensboro Ave	Tuscaloosa	AL	35401	205-758-0052	Terry & Karen White Enterprises, Inc.
756	2501 University Blvd. E.	Tuscaloosa	AL	35404	205-553-4660	Terry & Karen White Enterprises, Inc.

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Rest #	Address	City	State	Zip	Restaurant Phone	Franchise Entity
9906	305 North Main Street	Tuskegee	AL	36083	205-752-9351	Terry & Karen White Enterprises, Inc.
10341	101 S. Prairie Street	Union Springs	AL	36089	334-738-3494	Terry & Karen White Enterprises, Inc.
10533	608 Fob James Drive # A	Valley	AL	36854	334-756-2020	PPBB, LLC
5587	1318 Highway 71 South	Ft. Smith	AR	72901	479-648-9306	Maximus QSR, LLC
10272	1902 East Johnson Ave.	Jonesboro	AR	72404	870-934-9695	D & S Chicken Corporation (xferred from Crossroads Foods, Inc. 12/22/09)
4523	315 Hwy 65 & 82	Lake Village	AR	71653	870-265-4476	Refuel Operating Company, LLC
254	1401 Dr Martin Luther King Dr.	Little Rock	AR	72202	501-375-4107	Ampler Chicken, LLC
283	5423 W. 12Th Street	Little Rock	AR	72204	501-666-2253	Ampler Chicken, LLC
655	7621 Geyer Springs Road	Little Rock	AR	72209	501-568-4287	Ampler Chicken, LLC
2002	1500 John Barrow Rd	Little Rock	AR	72204	501-224-0505	Ampler Chicken, LLC
10783	2511 McCain Blvd	North Little Rock	AR	72116	501-916-9550	Ampler Chicken, LLC
286	1601 S. Cherry Street	Pine Bluff	AR	71601	870-536-2964	Ampler Chicken, LLC
91	1700 N. State Line Ave	Texarkana	AR	71854	870-773-3951	Best Chicken of Shreveport, LLC
848	1233 East Florence Blvd.	Casa Grande	AZ	85122	520-836-7292	Border Chicken AZ, LLC
5337	817 N. Arizona Avenue	Chandler	AZ	85225	480-786-9554	Bhatti, Inc.
3544	Indian Route 7	Chinle	AZ	86503	928-674-3450	Michael Nelson
3263	94 5th Street	Douglas	AZ	85607	520-364-1449	Border Chicken AZ, LLC
684	5505 West Glendale Ave	Glendale	AZ	85301	623-939-7117	Bhatti, Inc.
8763	13554 W. Van Buren Street	Goodyear	AZ	85395	623-594-9600	Bhatti, Inc.
10856	SEC Hwy 160 and Indian Rte 591	Kayenta	AZ	86033	928-697-3250	Michael Nelson
10461	13144 W. Camelback Road	Litchfield Park	AZ	85340	623-935-6282	KB Foods, Inc.
373	1151 S. Country Club	Mesa	AZ	85210	480-833-6069	Mar-Lu Arizona, LLC
955	2080 US Hwy 60	Miami	AZ	85539	928-425-8711	Border Chicken AZ, LLC
688	546 N. Grand Ave.	Nogales	AZ	85621	520-287-3151	Border Chicken AZ, LLC
10613	7410 W. Cactus Road	Peoria	AZ	85381	623 486 6652	KB Foods, Inc.
10906	2440 W. Bethany Home Rd	Phoenix	AZ	85015	602-249-8030	Pride Food LLC
950	5901 W. Camelback Road	Phoenix	AZ	85033	623-846-6001	Bhatti, Inc.
5662	6730 W. McDowell Rd	Phoenix	AZ	85035	623-845-0121	Bhatti, Inc.
10332	2242 East Broadway	Phoenix	AZ	85040	602-243-7412	Bhatti, Inc.

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10462	6260 S. 35th Ave Suite #170	Phoenix	AZ	85040	602-232-5737	Bhatti, Inc.
670	4296 W. Thomas	Phoenix	AZ	85019	602-272-9127	Mar-Lu Arizona, LLC
675	4245 S. Central Ave	Phoenix	AZ	85040	602-268-6408	Mar-Lu Arizona, LLC
679	12040 N. 35Th Avenue	Phoenix	AZ	85029	602-938-8070	Mar-Lu Arizona, LLC
681	1546 E. Roosevelt	Phoenix	AZ	85006	602-258-0874	Mar-Lu Arizona, LLC
683	3350 W. Van Buren	Phoenix	AZ	85009	602-278-8929	Mar-Lu Arizona, LLC
686	3150 E. Thomas Rd	Phoenix	AZ	85016	602-955-4402	Mar-Lu Arizona, LLC
690	7451 W. Indian School	Phoenix	AZ	85033	602-846-2069	Mar-Lu Arizona, LLC
840	1906 W. Camelback	Phoenix	AZ	85015	602-242-4386	Mar-Lu Arizona, LLC
841	7444 S. Central Ave	Phoenix	AZ	85040	602-276-3365	Mar-Lu Arizona, LLC
862	12045 N. 32nd Street	Phoenix	AZ	85028	602-996-5240	Mar-Lu Arizona, LLC
1047	714 Northwest Grand Avenue	Phoenix	AZ	85007	602-258-2267	Mar-Lu Arizona, LLC
7383	9024 W.Thomas Road-Ste101	Phoenix	AZ	85037	623-872-1005	KB Foods, Inc.
7235	1840 W. Peoria Ave.	Phoenix	AZ	85029	602-944-1568	Border Chicken AZ, LLC
685	7538 E. McDowell	Scottsdale	AZ	85257	480-946-5663	Mar-Lu Arizona, LLC
10339	15697 N. Reems Rd.	Surprise	AZ	85375	623-584-1447	KB Foods, Inc.
145	402 W. Valencia	Tucson	AZ	85706	520-889-6519	Border Chicken AZ, LLC
778	7090 E. Golf Links	Tucson	AZ	85730	520-790-4801	Border Chicken AZ, LLC
4544	7980 East Broadway Blvd.	Tucson	AZ	85710	520-298-1851	Border Chicken AZ, LLC
4576	3970 East 22nd. Street	Tucson	AZ	85711	520-745-1460	Border Chicken AZ, LLC
4672	1704 W. Ajo Way	Tucson	AZ	85713	520-434-9659	Border Chicken AZ, LLC
4758	3602 South 6th Avenue	Tucson	AZ	85714	520-628-9001	Border Chicken AZ, LLC
3072	Junction State Route 264 and Route 12	Window Rock	AZ	86515	928-871-5780	Michael Nelson
1745	300 East Second Street	Winslow	AZ	86047	928-289-2515	Border Chicken AZ, LLC
691	2420 South 4th Avenue	Yuma	AZ	85364	928-726-0434	Global Restaurant Hospitality Group, LLC
5605	1300 Brundage Lane	Bakersfield	CA	93304	661-859-0595	Global Restaurant Hospitality Group, LLC
787	14155 Ramona Blvd.	Baldwin Park	CA	91706	626-337-5433	Global Restaurant Hospitality Group, LLC

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10181	832 E. Ramsey St.	Banning	CA	92220	951-849-8410	GSNA Shai, Inc.
10181	832 E. Ramsey St.	Banning	CA	92220	951-849-8410	GSNA Shai, Inc.
739	344 Imperial Avenue	Calexico	CA	92231	760-357-6630	Global Restaurant Hospitality Group, LLC
1321	1005 Third Avenue	Chula Vista	CA	91911	619-426-0411	Global Restaurant Hospitality Group, LLC
114	217 North Central	Compton	CA	90220	310-637-6689	Global Restaurant Hospitality Group, LLC
945	1415 East Rosecrans	Compton	CA	90222	310-635-1733	Global Restaurant Hospitality Group, LLC
698	480 North Imperial Avenue	El Centro	CA	92243	760-353-3810	Global Restaurant Hospitality Group, LLC
185	11575 San Pablo Avenue	El Cerrito	CA	94530	510-215-0141	Royal California, LLC.
781	10967 Garvey Avenue	El Monte	CA	91733	626-444-9714	Global Restaurant Hospitality Group, LLC
1944	8909 Sierra Avenue	Fontana	CA	92334	909-357-2751	Global Restaurant Hospitality Group, LLC
949	2206 W. Rosecrans Avenue	Gardena	CA	90249	310-515-1057	Global Restaurant Hospitality Group, LLC
1073	1203 W. Redondo Beach	Gardena	CA	90247	310-532-0117	Global Restaurant Hospitality Group, LLC
786	1180 North Hacienda Blvd.	La Puente	CA	91744	626-917-1553	Global Restaurant Hospitality Group, LLC
623	5610 Woodruff Ave.	Lakewood	CA	90713	562-920-0838	KMS Foods, Inc.
171	1199 East Anaheim	Long Beach	CA	90813	562-591-0254	Global Restaurant Hospitality Group, LLC
957	5801 Cherry Avenue	Long Beach	CA	90805	562-423-2225	Global Restaurant Hospitality Group, LLC
1618	2533 Long Beach Blvd	Long Beach	CA	90806	562-427-2045	Global Restaurant Hospitality Group, LLC
128	261 E. Vernon Avenue	Los Angeles	CA	90011	323-846-8738	Royal California, LLC.

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147	1811 W. Jefferson Blvd.	Los Angeles	CA	90018	323-733-2728	Global Restaurant Hospitality Group, LLC
663	7205 S. Vermont	Los Angeles	CA	90044	323-758-0553	Global Restaurant Hospitality Group, LLC
738	11251 S. Western Avenue	Los Angeles	CA	90047	323-757-9774	Global Restaurant Hospitality Group, LLC
779	1030 East Manchester	Los Angeles	CA	90001	323-582-8408	Global Restaurant Hospitality Group, LLC
959	5325 S. Figueroa St.	Los Angeles	CA	90037	323-232-5374	Global Restaurant Hospitality Group, LLC
965	8531 S. Figueroa St.	Los Angeles	CA	90044	323-753-4054	Global Restaurant Hospitality Group, LLC
1000	2604 South Central Avenue	Los Angeles	CA	90011	323-235-9200	Global Restaurant Hospitality Group, LLC
1021	4720 Crenshaw Blvd.	Los Angeles	CA	90043	323-294-5443	Global Restaurant Hospitality Group, LLC
1191	6210 Broadway	Los Angeles	CA	90003	323-778-7431	Global Restaurant Hospitality Group, LLC
3104	5101 East Imperial Hwy.	Lynwood	CA	90262	310-638-4422	Global Restaurant Hospitality Group, LLC
958	701 East Huntington	Monrovia	CA	91016	626-03-4317	Global Restaurant Hospitality Group, LLC
5734	24440-A Allessandro Blvd.	Moreno Valley	CA	92553	951-413-6615	Global Restaurant Hospitality Group, LLC
1164	3040 East 8th Street	National City	CA	91950	619-479-7555	Global Restaurant Hospitality Group, LLC
621	15816 Pioneer Blvd.	Norwalk	CA	90650	562.929.4015	KMS Foods, Inc.
181	4155 Telegraph Avenue	Oakland	CA	94609	510-653-2277	Royal California, LLC.
182	7301 Bancroft Avenue	Oakland	CA	94605	510-568-5152	M&A Restaurant Holdings, LLC
1260	700 East Holt Blvd.	Ontario	CA	91761	909-986-4664	Global Restaurant Hospitality Group, LLC

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741	710 North Fair Oaks	Pasadena	CA	91103	626-793-7845	Global Restaurant Hospitality Group, LLC
466	1105 West Mission	Pomona	CA	91766	909-622-4477	Global Restaurant Hospitality Group, LLC
1069	500 East Holt	Pomona	CA	91767	909-620-4008	Global Restaurant Hospitality Group, LLC
850	912 East Foothill Blvd.	Rialto	CA	92376	909-421-1981	Global Restaurant Hospitality Group, LLC
902	1886 University Avenue	Riverside	CA	92507	951-276-4802	Global Restaurant Hospitality Group, LLC
1072	3801 Stockton Boulevard	Sacramento	CA	95820	916-452-4682	H & R Foods, Inc.
7190	2980 Florin Road	Sacramento	CA	95822	916-392-1380	H & R Foods, Inc.
853	299 East Baseline	San Bernadino	CA	92410	909-888-0887	Ardent Foods, Inc.
1159	3726 Del Sol Blvd.	San Diego	CA	92154	619-690-3191	Global Restaurant Hospitality Group, LLC
1212	3495 El Cajon Blvd.	San Diego	CA	92104	619-584-4665	Global Restaurant Hospitality Group, LLC
1255	3180 Main Street	San Diego	CA	92113	619-233-8102	Global Restaurant Hospitality Group, LLC
780	423 E. San Ysidro Blvd.	San Ysidro	CA	92173	619-428-2411	Global Restaurant Hospitality Group, LLC
947	110 E Charter Way	Stockton	CA	95206	209-948-6351	H & R Foods, Inc.
5773	8023 West Lane	Stockton	CA	95210	209-475-1547	H & R Foods, Inc.
1876	1920 Solano Avenue	Vallejo	CA	94590	707-642-8118	Global Restaurant Hospitality Group, LLC
10753	14507 Palmdale Road	Victorville	CA	92392	760-245-1141	Ardent Foods, Inc.
999	11900 E. Colfax Avenue	Aurora	CO	80010	303-344-8896	Pollo Del Centro, Inc.
10361	2181 S. Havana	Aurora	CO	80014	303-368-8514	Pollo Del Centro, Inc.
10431	7295 E. 64th Avenue	Commerce City	CO	80022	303-853-0074	Pollo Del Centro, Inc.
790	3401 Colorado Boulevard	Denver	CO	80205	303-333-2649	Pollo Del Centro, Inc.
7082	4820 Chambers Road	Denver	CO	80239	303-375-7664	Pollo Del Centro, Inc.
10453	1445 S. Federal Blvd	Denver	CO	80219	303-934-1500	Pollo Del Centro, Inc.
10965	4925 N. Federal Blvd	Denver	CO	80221	720-696-7853	Pollo Del Centro, Inc.
10893	8661 N. Washington Street	Thornton	CO	80229	303-288-9337	Pollo Del Centro, Inc.
10874	429 L'Enfant Plaza Suite 337	Washington	DC	20024	202-484-6000	AR Foods LLC

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11204	3780 Minnesota Ave NE	Washington	DC	20019	202-866-6000	AR Foods LLC
11216	845 S. Orange Blossom Trail	Apopka	FL	32703	980-429-2159	Goalz Restaurant Group FLA, LLC
3627	1904 N. Young Blvd.	Chiefland	FL	32626	352-493-7740	Hudson Food Stores, Inc.
5790	998-A E. Orange Avenue	Daytona Beach	FL	32114	386-255-7776	Daytona Chicken, LLC
10894	8820 W. 103rd Street	Jacksonville	FL	32210	904-771-9769	The Pantry, Inc.
10465	3007 Edgewood Ave. W	Jacksonville	FL	32209	904-924-8299	Florida Chicken IV, Inc.
2091	1060 E. 21st Street	Jacksonville	FL	32206	904-356-6639	S & H & A Food Service, Inc.
10385	6037 Merrill Rd	Jacksonville	FL	32277	904-745-7787	S & H & A Food Service, Inc.
10513	5870 Normandy Blvd.	Jacksonville	FL	32205	904-693-1801	HDW Partners I, Inc.
10892	1855 Dunn Ave	Jacksonville	FL	32218	904-374-9153	HDW Partners ll, Inc
1828	6584 Hwy. 90	Milton	FL	32570	850-626-8185	Wyatt Restaurant Group, LLC
10182	6234 West Colonial Drive	Orlando	FL	32808	407-293-2511	KSH Chicken Restaurants FL-1, LLC
459	1234 W Church Street	Orlando	FL	32805	407-425-4333	KSH Chicken Restaurants FL-1, LLC
11305	2414 W. Oak Ridge Road	Orlando	FL	32809	407-730-2616	Victory Fast Food Inc.
366	1655 North 9th Avenue	Pensacola	FL	32503	850-434-1225	QSR Southern Group, LLC
759	4502 Mobile Hwy.	Pensacola	FL	32506	850-458-3641	QSR Southern Group, LLC
10558	2561 French Avenue	Sanford	FL	32773	407-323-1933	KSH Chicken Restaurants FL-2, LLC
857	2301 North 50th Street N.	Tampa	FL	33619	813-248-1445	DL Quick Service Restaurants, Inc.
1025	7502 West Waters Ave.	Tampa	FL	33615	813-888-7200	DL Quick Service Restaurants, Inc.
8804	2219 East Fletcher Ave.	Tampa	FL	33612	813-975-9451	DL Quick Service Restaurants, Inc.
745	629 Cascade Avenue, SW	Atlanta	GA	30310	404-752-7878	Q & Q Sons, Inc.
168	1405 Moreland Ave SE	Atlanta	GA	30316	404-622-7207	DJ Paradise Chicken, LLC
725	3561 Martin Luther King Jr Dr SW	Atlanta	GA	30331	404-696-8674	Diamond Chicken Restaurants, LLC
727	3667 Campbelton Rd SW	Atlanta	GA	30331	404-344-8012	Fast Track Chicken, LLC

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98	860 Bankhead Hwy	Atlanta	GA	30318	404-872-6800	E & A Restaurant Holdings, LLC
87	200 Cleveland Ave SW	Atlanta	GA	30315	404-763-8673	87 Chicken LLC
747	1796 Delowe Drive	Atlanta	GA	30311	404-755-4614	747 Chicken, LLC
760	538 Lee Street, S.W.	Atlanta	GA	30310	404-753-8450	760 Chicken, LLC
3932	351 Six Flags Drive	Austell	GA	30168	770-745-9955	Six Flags Church's Chicken, LLC
3878	4995 Buford Highway	Chamblee	GA	30341	770-454-9404	Diamond Chicken Restaurants, LLC
626	5148 Old National Hwy.	College Park	GA	30349	404-763-4221	INF United, LLC
922	3275 Hwy. 278 @ Hwy. 36	Covington	GA	30014	770-787-2238	922 Chicken, LLC
10596	130 Hwy 82 E	Cuthbert	GA	39840	229-732-5505	Spectra 3, Inc.
424	2473 Wesley Chapel Rd	Decatur	GA	30035	770-981-4779	DJ Paradise Chicken, LLC
599	2700 Candler Rd	Decatur	GA	30034	404-241-2116	Fast Track Chicken, LLC
625	4680 Memorial Drive	Decatur	GA	30032	404-292-8431	625 Chicken, LLC
4205	6102 Covington Highway	Decatur	GA	30035	770-987-4395	4205 Chicken, LLC
920	6135 Fairburn Road	Douglasville	GA	30134	770-942-6009	920 Fried Chicken, LLC
818	911 Cleveland Ave	East Point	GA	30344	404-767-1011	Fast Track Chicken, LLC
733	4498 Jonesboro Rd	Forest Park	GA	30297	404-366-4944	DJ Paradise Chicken, LLC
1427	100 Vineville St	Fort Valley	GA	31030	478-825-5230	QSR Southern Group, LLC
1754	600 EE Butler Pkwy.	Gainesville	GA	30501	770-534-1059	1754 Fried Chicken, LLC
5794	447 E. G. Miles Parkway	Hinesville	GA	31313	912-877-3313	Whit I, Inc.
916	213 Northeast Franklin Rd	Lagrange	GA	30240	706-884-3677	QSR Southern Group, LLC
10528	970 New Hope Road	Lawrenceville	GA	30045	678-242-8282	Mohammed Shah
9931	4895 Stone Mountain Hwy. Ste A	Lilburn	GA	30047	770-972-7600	Diwa, Inc.
751	777 Shurling Dr	Macon	GA	31211	478-746-7294	QSR Southern Group, LLC
1182	2138 Pio Nono Ave	Macon	GA	31206	478-788-2345	QSR Southern Group, LLC
3997	5394 Thomaston Road	Macon	GA	31220	478-475-5405	Superb QSR, Inc
732	75 S. Marietta Pkwy.	Marietta	GA	30060	770-424-1193	Backyard Chicken Holdings, LLC
754	3720 Austell Rd. SW	Marietta	GA	30008	770-436-9126	Backyard Chicken Holdings, LLC
1821	503 N. Broad Street	Monroe	GA	30655	770-267-1226	Mar Food Service, LLC

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731	2347 Lake Harbin Road	Morrow	GA	30260	770-968-3999	INF United, LLC
4543	20 Hospital Rd.	Newnan	GA	30263	770-254-0909	INF United, LLC
4680	6111 S. Norcross Tucker Rd.	Norcross	GA	30093	770-723-6216	P&M Business Investments, Inc.
10997	456 Bourne Avenue	Port Wentworth	GA	31408	912-946-0666	Circle K Stores, Inc.
7309	765 Hwy 138 S.W.	Riverdale	GA	30296	770-909-7752	Diamond Chicken Restaurants, LLC
5335	5630 Riverdale Rd.	Riverdale	GA	30349	770-991-1030	INF United, LLC
2114	618 Shorter Ave. NW	Rome	GA	30165	706-413-4639	Backyard Chicken Holdings, LLC
434	4119 Montgomery St.	Savannah	GA	31401	912-234-3762	QSR Southern Group, LLC
5531	5408 N. Henry Blvd., Suite #1	Stockbridge	GA	30281	678-284-0435	Georgia Restaurant Development Company
10464	448 East Jackson Street	Thomasville	GA	31792	229-227-0610	Thomasville Chicken, LLC
10313	306 E. 5th Street	Tifton	GA	31794	229-388-9572	Shiv Shradha, LLC
914	320 East Hill Avenue	Valdosta	GA	31601	229-244-5920	Lewis Siplin Enterprises, Inc.
749	1801 Watson Blvd	Warner Robins	GA	31093	478-929-0139	QSR Southern Group, LLC
259	200 East 103rd Street	Chicago	IL	60628	773-821-0875	Falcon Holdings LLC
483	1755 W. Jackson	Chicago	IL	60612	312-243-3822	Falcon Holdings LLC
577	431 N. Austin	Chicago	IL	60644	773- 261-0419	Falcon Holdings LLC
584	7102 S. Stoney Island	Chicago	IL	60649	773-684-0993	Falcon Holdings LLC
982	58 West 79th Street	Chicago	IL	60620	773-651-9830	Falcon Holdings LLC
1054	1808 W. 47th Street	Chicago	IL	60609	773-523-1562	Falcon Holdings LLC
1068	2806 W. Cermak	Chicago	IL	60623	773-523-0494	Falcon Holdings LLC
1142	6 West 59th Street	Chicago	IL	60621	773-667-1055	Falcon Holdings LLC
1315	6849 S. Western Avenue	Chicago	IL	60636	773-776-2823	Falcon Holdings LLC
1414	4812 W. North Avenue	Chicago	IL	60639	773-622-6281	Falcon Holdings LLC
983	333 East 159th Street	Harvey	IL	60426	708-331-2157	Falcon Holdings LLC
559	345 N. Collins Avenue	Joliet	IL	60432	815-723-5294	Falcon Holdings LLC
10932	2003 Illinois Hwy 1	Marshall	IL	62441	217-340-0199	Road Ranger, LLC
859	600 S. 5th Avenue	Maywood	IL	60153	708-865-0713	Maywood CC, Inc.
665	500 South Western Ave	Peoria	IL	61605	309-637-7570	Falcon Holdings LLC
532	1409 South Broadway	Gary	IN	46407	219-886-3055	Falcon Holdings LLC
274	2964 S. Shelby	Indianapolis	IN	46203	317-786-6159	J & A Restaurant Holdings, LLC
298	5044 East 38th Street	Indianapolis	IN	46218	317-547-4054	J & A Restaurant Holdings, LLC

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238	2501 N. Keystone Ave	Indianapolis	IN	46218	317-923-9987	J & A Restaurant Holdings, LLC
250	5443 East 21st Street	Indianapolis	IN	46218	317-356-2028	J & A Restaurant Holdings, LLC
265	3863 North Post Road	Indianapolis	IN	46226	317-897-4275	J & A Restaurant Holdings, LLC
633	2910 Westlane Road	Indianapolis	IN	46268	317-297-4064	J & A Restaurant Holdings, LLC
7392	3970 Lafayette Road	Indianapolis	IN	46255	317-387-0196	J & A Restaurant Holdings, LLC
8817	8975 E. Washington Street	Indianapolis	IN	46219	317-897-1004	J & A Restaurant Holdings, LLC
10944	7224 W. 10th Street	Indianapolis	IN	46214	317-644-0574	J & A Restaurant Holdings, LLC
236	1222 Central Avenue	Kansas City	KS	66102	913-342-9273	SNSA, Inc.
10579	8234 Parallel Parkway	Kansas City	KS	66112	913-499-6771	SNSA, Inc.
4784	5501 Leavenworth	Kansas City	KS	66104	913-287-5282	Kansas Food Corp.
10489	124 North Clairborne	Olathe	KS	66062	913-393-2441	ARKAM, Inc.
10449	7404 Neiman Road	Shawnee	KS	66203	913-962-1950	ARKAM, Inc.
657	201 S.E. 29th Street	Topeka	KS	66605	785-267-2888	M. B. & R., L.L.C.
4524	3001 SW 10th Avenue	Topeka	KS	66604	785-232-3396	MB&R II, Inc.
11059	4780 E. 13th St N	Wichita	KS	67208	316-866-6500	Wichita Restaurants LLC
11307	3824 E. Harry Street	Wichita	KS	76211	316-440-0653	Wichita Restaurants LLC
11314	593 E. Pawnee Street	Wichita	KS	67211	316-440-0653	M&M Restaurants LLC
5251	18149 Highland Road	Baton Rouge	LA	70810	225-751-6878	Circle K Stores, Inc.
721	5728 Government Street	Baton Rouge	LA	70806	225-925-5118	Osaya, Incorporated
3521	1868 Airline Drive	Bossier City	LA	71112	318-741-3302	Best Chicken of Shreveport, LLC
1833	1310 Highway 80 East	Haughton	LA	71037	318-949-3959	Manjyot Enterprises, LLC
3811	750 Grand Caillou Road	Houma	LA	70363	985-857-8913	Robwell Management, Inc.
3642	105 W. Gloria Switch Rd.	Lafayette	LA	70507	337-235-4003	Circle K Stores, Inc.
10754	1602 N. University Ave.	Lafayette	LA	70506	337-534-8354	Global Vision Entities LLC
11057	4154 W. Congress St	Lafayette	LA	70506	337-534-8847	Global Vision Entities, LLC
3804	1018 Highway 90 West	Patterson	LA	70392	985-399-9993	Circle K Stores, Inc.
4004	1701 St. Mary Street	Scott	LA	70583	337-261-9743	Circle K Stores, Inc.
164	1612 North Market Street	Shreveport	LA	71107	318-222-2236	Best Chicken of Shreveport, LLC

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596	575 East 70th Street	Shreveport	LA	71106	318-865-9884	Best Chicken of Shreveport, LLC
703	9190 Mansfield Road	Shreveport	LA	71118	318-686-0659	Best Chicken of Shreveport, LLC
704	1046 Shreveport Barksdale Hwy	Shreveport	LA	71105	318-868-0646	Best Chicken of Shreveport, LLC
302	7060 Michigan Ave.	Detroit	MI	48210	313-843-3788	QSR Michigan-Ohio Group, LLC
452	11501 Woodward Avenue	Detroit	MI	48202	313-869-6996	QSR Midwest Group, LLC
456	19741 W. McNichols Road	Detroit	MI	48219	313-532-8267	QSR Michigan-Ohio Group, LLC
648	2928 East 7 Mile Road	Detroit	MI	48234	313-893-8141	QSR Midwest Group, LLC
785	16100 Livernois	Detroit	MI	48221	313-863-9413	QSR Midwest Group, LLC
855	9137 Grand River	Detroit	MI	48204	313-834-0252	QSR Midwest Group, LLC
868	15525 W. Chicago Street	Detroit	MI	48228	313-272-6444	QSR Midwest Group, LLC
964	13531 Fenkell	Detroit	MI	48227	313-834-7869	QSR Midwest Group, LLC
974	14260 Gratiot Avenue	Detroit	MI	48205	313-839-1288	QSR Midwest Group, LLC
975	11965 E. Warren	Detroit	MI	48214	313-571-6408	QSR Midwest Group, LLC
991	18138 W. 7 Mile Road	Detroit	MI	48219	313-538-1440	QSR Michigan-Ohio Group, LLC
976	13611 W. 8 Mile Road	Detroit	MI	48235	313-345-6879	N & A Restaurant Holdings Group, LLC
10685	3410 Corunna Road	Flint	MI	48503	810-422-9436	E I, Inc.
981	24990 DeQuindre	Warren	MI	48091	586-754-8908	QSR Midwest Group, LLC
10643	7925 E. 171st Street	Belton	MO	64012	816-322-8600	Sam Belton, Inc.
10299	6416 North Oak Trafficway	Gladstone	MO	64118	816-468-4966	SNSA, Inc.
212	701 N. Noland	Independence	MO	64050	816-836-3256	Sam & Mike, Ltd.
4341	10610 E. 23rd Street S	Independence	MO	64052	816-836-0012	Prince Rose, Inc.
10233	12003 E US Hwy 40	Independence	MO	64055	816-358-0604	Sam & Mike, Ltd.
57	11500 Blue Ridge Blvd.	Kansas City	MO	64134	816-763-7132	SNSA, Inc.
129	2515 East 12th Street	Kansas City	MO	64127	816-483-9257	SNSA, Inc.
131	3900 Indiana Street	Kansas City	MO	64130	816-923-9882	SNSA, Inc.
136	5500 Prospect Avenue	Kansas City	MO	64130	816-523-7225	SNSA, Inc.
225	4601 Ne Vivion Rd.	Kansas City	MO	64119	816-454-7644	SNSA Inc.
1231	2600 East Gregory Blvd	Kansas City	MO	64132	816-444-1310	SNSA, Inc.
10655	7200 Eastwood Traffic Way	Kansas City	MO	64129	816-923-3352	SNSA, Inc.

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152	2401 Van Brunt Blvd.	Kansas City	MO	64127	816-241-6696	Sam & Mike 152, Ltd.
4916	9325 Blue Ridge Blvd.	Kansas City	MO	64138	816-761-5153	Sam & Faruque, Inc.
5988	3145 Gillham Plaza	Kansas City	MO	64109	816-931-0035	Sam Linwood, Inc.
5699	9310 E. Highway 350	Raytown	MO	64133	816-358-7516	M & C Enterprises, Inc.
837	502 South Belt Hwy.	St. Joseph	MO	64506	816-676-0899	Sam & Dulal Corporation
1058	611 N. State Street	Clarksdale	MS	38614	662-627-1535	Refuel Operating Company, LLC
4014	1000 S. Davis Avenue	Cleveland	MS	38732	662-846-0222	Refuel Operating Company, LLC
130	1406 Main Street	Columbus	MS	39701	601-327-4090	Terry & Karen White Enterprises, Inc.
3614	509 Hwy. 82 East	Greenville	MS	38701	662-335-1062	Refuel Operating Company, LLC
3824	349 Hwy. 82 West	Greenwood	MS	38930	662-455-2777	Refuel Operating Company, LLC
10802	1317 Sunset Drive	Grenada	MS	38901	662-226-1458	Refuel Operating Company, LLC
3938	103 Hwy. 82 East	Indianola	MS	38751	662-887-4566	Refuel Operating Company, LLC
10492	5673 Mississippi Hwy 18	Jackson	MS	39209	601-923-3535	Refuel Operating Company, LLC
404	325 Beacon St.	Laurel	MS	39440	601-425-3953	Pine Belt Foods, Inc.
4854	308 Depot Street	Lexington	MS	39095	662-834-0696	Refuel Operating Company, LLC
1601	4288 Main Street	Lucedale	MS	39452	601-947-9587	QSR Southern Group, LLC
3618	100 E. Presley Blvd.	McComb	MS	39648	601-249-0205	What A Combo, Inc.
361	3325 8th Street	Meridian	MS	39301	601-485-5811	Terry & Karen White Enterprises, Inc.
726	3056 US Hwy. 80	Pearl	MS	39288	601-932-2735	J West Inc.
4548	102 Race Street	Rolling Fork	MS	39159	662-873-2875	Refuel Operating Company, LLC
4486	301 N. Oak Avenue	Ruleville	MS	38771	662-756-2094	Refuel Operating Company, LLC
3994	1124 U.S. 61	Tunica	MS	38676	662-363-6744	Gidden, William H. and Johnson, Michael E.
3771	258 N. Jerry Clower Blvd.	Yazoo City	MS	39194	662-746-7843	Refuel Operating Company, LLC
598	3443 Wilkinson Blvd.	Charlotte	NC	28208	704-399-4035	QSR Hospitality, LLC
624	1735 W Trade Street	Charlotte	NC	28216	704-332-2438	QSR Hospitality, LLC
4884	3217 Eastway Drive	Charlotte	NC	28205	704-535-9601	SNM Foods, Inc.
143	3400 Roxboro Street	Durham	NC	27704	919- 220-6679	QSR Hospitality, LLC

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912	942 N. Miami Boulevard	Durham	NC	27703	919-682-6332	QSR Hospitality, LLC
10642	5775 Yadkin Road	Fayetteville	NC	28303	910-920-3634	Perkins Restaurant Development Company, LLC
10237	2431 Randleman Rd.	Greensboro	NC	27406	336-272-8540	Carolina Cafe Services, Inc.
482	611 MLK Drive	Greensboro	NC	27406	336-274-0456	QSR Hospitality, LLC
5456	303 Bell Fork Road	Jacksonville	NC	28540	910-455-5949	Moore's Mini Marts, Inc.
549	1401 New Bern Avenue	Raleigh	NC	27610	919-821-2220	QSR Hospitality, LLC
10153	4205 Market Street	Wilmington	NC	28403	910-763-7497	Moore's Mini Marts, Inc.
500	1301 Patterson Avenue	Winston-Salem	NC	27105	336-723-3310	QSR Hospitality, LLC
627	907 Waughtown Street	Winston-Salem	NC	27107	336-784-5157	QSR Hospitality, LLC
873	210 White Horse Pike	Lawnside	NJ	8045	856-547-0429	Jose P. Ibay Corporation
457	2100 Broadway S.E.	Albuquerque	NM	87102	505-247-4268	Ampler Chicken, LLC
574	3335 Isleta Blvd. SW	Albuquerque	NM	87105	505-873-2721	Ampler Chicken, LLC
694	5112 Fourth St. N.W.	Albuquerque	NM	87107	505-344-2403	Ampler Chicken, LLC
695	5407 Central N.W.	Albuquerque	NM	87105	505-831-6905	Ampler Chicken, LLC
701	2937 San Mateo N.E.	Albuquerque	NM	87110	505-881-1024	Ampler Chicken, LLC
707	2307 Juan Tabo Boulevard, N.E.	Albuquerque	NM	87112	505-294-2794	Ampler Chicken, LLC
2020	10230 Central Ave. NE	Albuquerque	NM	87123	505-299-0492	Ampler Chicken, LLC
2109	140 98th Street	Albuquerque	NM	87121	505-831-0053	Ampler Chicken, LLC
5341	401 Louisana Blvd. S. E.	Albuquerque	NM	87108	505-268-7427	Vista Management Company, LLC
10386	9250 Golf Course Road	Albuquerque	NM	87114	505-898-9778	Emily Development, Inc.
2115	404 Highway 550	Bernalillo	NM	87004	505-867-7291	Ampler Chicken, LLC
1040	2711 East 20th Street	Farmington	NM	87402	505-327-9040	B & C Conner, Inc.
4645	745 W. Main Street	Farmington	NM	87401	505-324-8500	Emily Development, Inc.
4978	5455 E. Main Street	Farmington	NM	87402	505-324-1575	Emily Development, Inc.
3201	1015 North Highway 491	Gallup	NM	87301	505-722-0928	B & C Conner, Inc.
590	702 North Dal Paso	Hobbs	NM	88240	575-397-1825	Ampler Chicken, LLC
11257	1005 W. Joe Harvey Blvd	Hobbs	NM	88240		Ampler Chicken, LLC
10875	5021 Bataan Memorial W	Las Cruces	NM	88012	575-373-0797	Best Chicken of El Paso, LLC
2121	703 Main St SE	Los Lunas	NM	87031	505-865-0900	Ampler Chicken, LLC
11028	3801 Southern Blvd, SE	Rio Rancho	NM	87124	505 994-9506	Border Chicken NM LLC
595	1141 South Main	Roswell	NM	88203	575-623-1640	Pardo, Frederico

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7300	2778 Sawmill Road	Santa Fe	NM	87505	505-471-7165	Vista Management Company, LLC
284	4880 Spring Mountain Road	Las Vegas	NV	89102	702-365-5055	Mar-Lu Nevada, Inc.
371	601 N. Rancho Drive	Las Vegas	NV	89106	702-648-1115	Mar-Lu Nevada, Inc
8616	4800 East Flamingo Road	Las Vegas	NV	89121	702-642-6900	Mar-Lu Nevada, Inc
10570	868 N. Nellis Blvd.	Las Vegas	NV	89110	702-453-6903	Mar-Lu Nevada, Inc.
10760	4851 West Charleston Boulevard	Las Vegas	NV	89146	702-822-6259	Mar-Lu Nevada, Inc
10739	7925 S. Rainbow Boulevard	Las Vegas	NV	89139	702-207-1734	SRAR, LLC
331	2839 N. Las Vegas Blvd.	North Las Vegas	NV	89030	702-642-9100	Mar-Lu Nevada, Inc.
636	1391 Wooster Avenue	Akron	OH	44320	330-864-5138	QSR Midwest Group, LLC
1099	1211 South Main	Akron	OH	44301	330-762-3914	QSR Midwest Group, LLC
602	410 9th Street, NE	Canton	OH	44704	330-454-3595	QSR Midwest Group, LLC
634	1100 Cleveland	Columbus	OH	43201	614-297-0798	QSR Michigan-Ohio Group, LLC
649	4375 Refugee Road	Columbus	OH	43232	614-866-2155	QSR Midwest Group, LLC
158	2443 N. Gettysburg	Dayton	OH	45406	937-276-2263	QSR Michigan-Ohio Group, LLC
174	1113 N. Gettysburg	Dayton	OH	45417	937- 268-5752	QSR Michigan-Ohio Group, LLC
412	5711 N. Dixie Road	Dayton	OH	45414	937-387-9269	QSR Michigan-Ohio Group, LLC
10230	5 South Reynolds Road	Toledo	OH	43616	419-531-7996	QSR Michigan-Ohio Group, LLC
8816	4488 E. Main Street	Whitehall	OH	43213	614-235-2790	QSR Michigan-Ohio Group, LLC
10292	415 South Elm Place	Broken Arrow	OK	74012	918-286-1072	Ampler Chicken, LLC
341	3920 SE 15th Street	Del City	OK	73115	405-677-8552	Choice Chicken, Inc.
396	1925 N.W. Sheridan	Lawton	OK	73505	580-248-4336	KAM Investment, Inc.
1435	9010 N.E. 23rd	Midwest City	OK	73141	405-769-7380	Ampler Chicken, LLC
444	1235 N. Santa Fe	Moore	OK	73160	405-799-2250	Ampler Chicken, LLC
409	419 E. Okmulgee	Muskogee	OK	74401	918-683-3981	Yummy Chicken LLC
334	543 S.W. 29th	Oklahoma City	OK	73109	405-632-0882	Ampler Chicken, LLC
4313	4428 S.E. 44th Street	Oklahoma City	OK	73135	405-670-3339	Ampler Chicken, LLC
4314	1012 S.W. 59th Street	Oklahoma City	OK	73139	405-632-8040	Ampler Chicken, LLC
1057	701 N.W. 23rd.	Oklahoma City	OK	73103	405-525-7829	KAM Investment, Inc.
318	3610 N.W. 23rd Street	Oklahoma City	OK	73107	405-947-3433	Yummy Chicken LLC
323	3839 N. Lincoln	Oklahoma City	OK	73105	405-528-1386	Yummy Chicken LLC

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931	9253 N. Pennsylvania Avenue	Oklahoma City	OK	73120	405-842-6475	Yummy Chicken LLC
10592	11618 E. 86th Street	Owasso	OK	74055	918-376-4222	Ampler Chicken, LLC
10329	301 West Second Street	Sand Springs	OK	74063	918-419-2170	Ampler Chicken, LLC
10440	2 North Mission Street	Supulpa	OK	74066	918-512-8188	Ampler Chicken, LLC
376	2555 E. Pine	Tulsa	OK	74110	918-584-5015	Ampler Chicken, LLC
619	3036 S. Garnett	Tulsa	OK	74129	918-628-1497	Ampler Chicken, LLC
775	5034 N. Peoria	Tulsa	OK	74126	918-425-0678	Ampler Chicken, LLC
7104	6307 East Admiral Place	Tulsa	OK	74115	918-831-2233	ARU, Inc.
10310	5590 NW Expressway	Warr Acres	OK	73132	405-728-8500	Yummy Chicken LLC
9916	5251 Frankford Ave.	Philadelphia	PA	19124	215-535-1740	YAM Enterprises, Inc.
4087	State Road #115, Km 24.5 Barrio Asomante	Aguada	PR	602	787-252-1344	South American Restaurants Corporation
1840	Aguadilla Shopping Center, Carr. 2 esq. Carr. 459	Aguadilla	PR	603	787-891-6060	South American Restaurants Corporation
4966	Carr. No. 107, Barrio Borinquen	Aguadilla	PR	605	787-882-4685	South American Restaurants Corporation
10517	PR - 2, Km. 129.6, Sector Monte Brujo Bo. Victoria	Aguadilla	PR	603	787-882-1551	South American Restaurants Corporation
7052	Plaza Las Flores Shopping Center, Road PR 14	Aibontio	PR	705	787-991-3111	South American Restaurants Corporation
10617	Bo. Quebrada Larga, Carretera #2K 141.5 Interseccion #110	Anasco	PR	610	787-826-8171	South American Restaurants Corporation
1726	Plaza del Atlantico	Arecibo	PR	612	787-879-2030	South American Restaurants Corporation
1756	Arecibo Shopping Center, Carr. 2 esq. Ave.	Arecibo	PR	612	787-878-3688	South American Restaurants Corporation
7005	Road #129 KM 1.2	Arecibo	PR	612	787-815-5871	South American Restaurants Corporation
7099	Road #2, KM 57.5	Barceloneta	PR	617	787-846-1161	South American Restaurants Corporation
1842	Carr. 167 esq. Calle 24, Urbanizacion Sierra	Bayamon	PR	961	787-740-6360	South American Restaurants Corporation

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1869	Bayamon Sur Food Court, Avenida Los Millones	Bayamon	PR	959	787-785-7180	South American Restaurants Corporation
3210	Rexville Plaza Shopping Center, Carr. 167 Km. 18.8	Bayamon	PR	957	787-730-7744	South American Restaurants Corporation
4653	Plaza del Sol, Calle #44, Lote 56 #3	Bayamon	PR	961	787-786-1366	South American Restaurants Corporation
5496	Rio Hondo, Rio Hondo Shopping Center	Bayamon	PR	956	787-261-0550	South American Restaurants Corporation
9179	Pajaros Ward, State Road RP - 862 Corner with State Road PR - 86	Bayamon	PR	959	787-449-9824	South American Restaurants Corporation
10820	Plaza Tropical, Inc. Lot B Carretera 167 KM 22.2	Bayamon	PR	957	939-225-2792	South American Restaurants Corporation
11181	Santa Rosa Mall PR Road #2 & Inte. Main Ave.BO.	Bayamon	PR	968	787-797-8500	South American Restaurants Corporation
11258	Carr. PR 177 Km 4.5 Los Filtro, Bo. Juan SÃ¡nchez	Bayamon	PR	957		South American Restaurants Corporation
8794	State Road PR #830	BAYAMON IX - INTERAMERICANA	PR	958	787-797-2040	South American Restaurants Corporation
4611	State Road #101, Km. 17.2	Cabo Rojo	PR	613	787-851-0107	South American Restaurants Corporation
4936	P.R. Rd. # 100	Cabo Rojo	PR	623	787-255-4785	South American Restaurants Corporation
1781	Caguitas Mall, Carr. 1 Km. 34.5	Caguas	PR	725	787-746-6878	South American Restaurants Corporation
1847	Caguas Consolidated Mall, Calle Monsenor Berrios esq.	Caguas	PR	725	787-746-1959	South American Restaurants Corporation
4343	Calle Luis Muniz Marin Solar #3	Caguas	PR	726	787-744-6960	South American Restaurants Corporation
5495	Las Catalinas, Las Catalinas Mall, Road #156-Corner Hwy #52	Caguas	PR	725	787-744-1825	South American Restaurants Corporation

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10264	State Road PR #1, Caguas	Caguas	PR	725	787-704-2015	South American Restaurants Corporation
11070	Marginal PR-2 KM.HM 93.7 BO Menbrillo	Camuy	PR	627	787-544-0092	South American Restaurants Corporation
4826	Road No. 185, Corner P.R. Road #3	Canovanas	PR	729	787-635-2414	South American Restaurants Corporation
1750	Plazoleta de Isla Verde, Ave.	Carolina	PR	979	787-791-4630	South American Restaurants Corporation
1761	Ave. 65 Infanteria Km. 10	Carolina	PR	982	787-757-6555	South American Restaurants Corporation
4342	Orient Food Court, State Road #3	Carolina	PR	987	787-647-1960	South American Restaurants Corporation
4593	Plaza Escorial Sur, Km. 6.3 Carr Estatal #3	Carolina	PR	982	787-762-0750	South American Restaurants Corporation
4686	Ave. Campo Rico & Calle 246	Carolina	PR	979	787-635-2424	South American Restaurants Corporation
10837	Carr#3 Esq. Expreso Loiza, Local VC-13, Carolina, PR 00982	Carolina	PR	983	787-710-2015	South American Restaurants Corporation
4592	State Road #101, Km. 55.2, Plaza Cayey	Cayey	PR	736	787-263-4770	South American Restaurants Corporation
4612	State Road #172, Km. 13.6	Cidra	PR	739	787-714-0565	South American Restaurants Corporation
5494	Coamo Plz Shpg. Cntr. Rd 153 KM Bo. S. Ildefonso	Coamo	PR	769	787-803-2449	South American Restaurants Corporation
4825	Carr No. 159, Km. 15.2	Corozal	PR	783	787-802-1124	South American Restaurants Corporation
4106	State Road #693 South Blvd. Ave.	Dorado	PR	646	787-278-2591	South American Restaurants Corporation
10641	PR - 659 Interseccion #693	Dorado	PR	646	787-921-2987	South American Restaurants Corporation
3110	Monte Brisas Shopping Center, Carr. 194 esq. Calle A	Fajardo	PR	738	787-863-6310	South American Restaurants Corporation

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1729	Ave. Los Veteranos, Carr. 3 Km. 135.8	Guayama	PR	784	787-864-3240	South American Restaurants Corporation
5588	Guayama III, Road #54, Km. 3.1	Guayama	PR	609	787-866-0609	South American Restaurants Corporation
1705	100 Avenida Gonzalez Giusti	Guayano	PR	968	787-792-2124	South American Restaurants Corporation
1740	Plaza Puerto Rico, Carr. 1, Frente Univ.	Guaynabo	PR	927	787-758-8385	South American Restaurants Corporation
4935	State Rd. #24, Lot #4, Bo. Pueblo Viejo	Guaynabo	PR	968	787-706-4315	South American Restaurants Corporation
7053	Plazoleta Las Cumbres, Avenue Las Cumbres	Guaynabo	PR	965	787-440-9824	South American Restaurants Corporation
7098	Plaza Guaynabo 4, Urb. Ind. Los Frailes, Calle Dye	Guaynabo	PR	754	787-636-9244	South American Restaurants Corporation
10741	Ave. Las Cumbres, Carretera 199 Sanchez Food Court, Lote B	Guaynabo	PR	969	939-205-2710	South American Restaurants Corporation
4086	State Road No. 189	Gurabo	PR	778	787-745-4620	South American Restaurants Corporation
8519	State Road, #30 Int. State Road #171	Gurabo	PR	778	787-745-4620	South American Restaurants Corporation
4613	State Road #2, Km. 87.1, Barrio Pueblo	Hatillo	PR	659	787-820-7992	South American Restaurants Corporation
10750	Carretera 129 KM. 8.2 Interior, Barrio Campo Alegre	Hatillo	PR	659	787-680-2030	South American Restaurants Corporation
11049	Plaza del Mar Shopping Center Caretera #2 KM 81.9	Hatillo	PR	659	787-544-3459	South American Restaurants Corporation
4934	State Rd. #2, Km. 167.2	Hormigueros	PR	660	787-892-1368	South American Restaurants Corporation
1739	Calle Antonio Lopez esq., Avenida Font	Humacao	PR	791	787-852-4726	South American Restaurants Corporation
1856	State Road #908 - Oriental Plaza	Humacao	PR	908	787-850-6140	South American Restaurants Corporation

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8796	Humacao IV, Centro Comercial Plaza Mall, Carr. #3 Esquina Expreso #52	Humacao	PR	791	787-285-4296	South American Restaurants Corporation
3741	Plaza Isabela - 494 Isabela Shopping Center	Isabela	PR	662	787-830-3169	South American Restaurants Corporation
4105	State Road #31, Km. 24 Bo Ceiba Norte	Juncos	PR	777	787-649-4100	South American Restaurants Corporation
4104	State Road #183, Int. P.R. 30, Las Piedras Food Park	Las Piedras	PR	771	787-733-2255	South American Restaurants Corporation
10426	State Road PR 30 KM 20.2 (Olympic Plaza Shopping Ctr.)	Las Piedras	PR	771	787-716-0555	South American Restaurants Corporation
3023	Plaza Puerta Del Sol, Carr. 2 Km. 49.7	Manati	PR	674	787-884-4677	South American Restaurants Corporation
3025	Trigal Plaza Shopping Center, Carr. 2 y Carr. 149	Manati	PR	674	787-884-5216	South American Restaurants Corporation
3031	Mayaguez Mall Shopping Center, Carr. 2 Km. 158.6 y Carr. 343	Mayaguez	PR	680	787-265-6555	South American Restaurants Corporation
4089	Mayaguez Mall Shopping Ctr. Guanajibo Ward	Mayaguez	PR	680	787-831-5265	South American Restaurants Corporation
4090	State Road #2, KM 149.2	Mayaguez	PR	680	787-834-0034	South American Restaurants Corporation
4779	Calle Post Y Basora	Mayaguez	PR	680	787-635-2412	South American Restaurants Corporation
9177	Esquina Llorens Torres Calle Nelson Ramirez	Mayaguez	PR	680	787-832-4604	South American Restaurants Corporation
10989	Plaza Sultana Shopping Center	Mayaguez	PR	680	787-652-0000	South American Restaurants Corporation
3212	San Francisco Food Court, Carr. #111 Km. 4.6	Moca	PR	676	787-877-1380	South American Restaurants Corporation
5308	Road PR 155, KM 30.8 Int. P 12 157, Barrio Gato	Orocovis	PR	720	787-867-1333	South American Restaurants Corporation
4932	State Rd. #3, Corner Rd. No. 53	Patillas	PR	723	787-839-5051	South American Restaurants Corporation

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10509	Penuelas Shopping Plaza	Penuelas	PR	624	787-836-3831	South American Restaurants Corporation
10571	Bo El Cajon	Penuelas	PR	624	787-973-2985	South American Restaurants Corporation
1733	Carr. 2 Ponce By-Pass	Ponce	PR	731	787-843-0880	South American Restaurants Corporation
1737	La Rambla Shopping Center	Ponce	PR	731	787-843-5800	South American Restaurants Corporation
1865	San Jorge Mall, Carr. 2 Ponce By-Pass	Ponce	PR	731	787-842-2508	South American Restaurants Corporation
3211	Plaza Del Caribe	Ponce	PR	731	787-848-5582	South American Restaurants Corporation
8600	Coto Laurel Plaza, 506 Int Carr, PR-52	Ponce	PR	716	787-812-0374	South American Restaurants Corporation
10354	State Road P.R. 14 (El Monte Town Center)	Ponce	PR	731	787-840-1731	South American Restaurants Corporation
1765	Ave. De Diego esq., Calle S. O. #48	Puerto Nuevo	PR	921	787-792-7611	South American Restaurants Corporation
11218	PR-2 km 100.4 esq. calle Socorro	Quebradillas	PR	727	787-830-1605	South American Restaurants Corporation
4931	State Road No. 115, Km 1.1	Rincon	PR	677	787-823-0270	South American Restaurants Corporation
3773	Rio Grande Food Ct., Urb. Ind., Las Flores	Rio Grande	PR	745	787-888-8890	South American Restaurants Corporation
10615	Carretera #1 Km 89.5 Bo. Lapa	Salinas	PR	751	787-271-7012	South American Restaurants Corporation
3012	La Quinta Shopping Court, Calle Luna 175 esq.	San German	PR	683	787-264-3120	South American Restaurants Corporation
1720	Plaza Las Americas	San Juan	PR	918	787-754-7595	South American Restaurants Corporation
1748	Calle Domenech #501	San Juan	PR	928	787-763-8912	South American Restaurants Corporation

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1749	Centro Medico	San Juan	PR	925	787-763-0585	South American Restaurants Corporation
10236	Coliseo de Puerto Rico, Ave. Arterial B, Bo. Hato Rey	San Juan	PR	919		South American Restaurants Corporation
10286	Ponce de Leon Ave. , Auxilio Mutuo	San Juan	PR	925	787-766-2310	South American Restaurants Corporation
10607	Carretera PR-26, Ave. Baldorioty de Castro Esq. Calle Tapia #242	San Juan	PR	915	787-919-3953	South American Restaurants Corporation
10689	Avenue 65 De Infanteria Simon	San Juan	PR	962	787-200-3985	South American Restaurants Corporation
10842	Las Cumbres Neighborhood Commercial Area, Satate #199, Galeria Pacifico Cupey	San Juan	PR	924	787-200-3370	South American Restaurants Corporation
11282	The Market Place Montheidera, Outparcel #6 Ave. Los Romeros BO. Caimito	San Juan	PR	926	787-270-1609	South American Restaurants Corporation
11285	575 Av. Franklin Delano Roosevelt	San Juan	PR	918	787-641-5017	South American Restaurants Corporation
11388	Plaza Olmedo, 1790 AVE. LOMAS VERDES, PLAZA OLMEDO	San Juan	PR	926	787-641-2052	South American Restaurants Corporation
7075	Jardines de San Lorenzo Shopping Center, Carr. 181, Int. Carr. 183	San Lorenzo	PR	754	787-267-0866	South American Restaurants Corporation
10688	Barrio Bahomamey Carretera # 111 Km 18.9	San Sebastian	PR	685	787-931-2110	South American Restaurants Corporation
3774	State Road #153 & #52	Santa Isabel	PR	757	787-845-6982	South American Restaurants Corporation
1850	Plazoleta del Condado, Ave. Roberto H. Todd	Santurce	PR	907	787-724-5680	South American Restaurants Corporation
7051	Plaza Aquarium Shopping Mall, State Road PR #159	Toa Alta	PR	953	787-870-7825	South American Restaurants Corporation
10807	Plaza Los Palacios, Carretera 167 KM 14.6 Interseccion PR 148	Toa Alta	PR	957	939-225-2821	South American Restaurants Corporation

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3796	Av. Los Dominicos Intersec. Road Jose de Diego	Toa Baja	PR	949	787-795-5625	South American Restaurants Corporation
1711	Trujillo Alto Plaza, Expreso	Trujillo Alto	PR	976	787-755-8365	South American Restaurants Corporation
1822	Plaza Caribe Mall, Carr. 2 esq. Carr. 678	Vega Alta	PR	692	787-883-6487	South American Restaurants Corporation
1862	Las Vegas Mall, State Road #2	Vega Baja	PR	693	787-855-3275	South American Restaurants Corporation
10550	Expreso Luis A. Ferre, Salida 35	Vega Baja	PR	693	787-965-2011	South American Restaurants Corporation
4344	State Road #901, Km 1.6 Barrio Juan Martin	Yabucoa	PR	767	787-893-7892	South American Restaurants Corporation
1735	Prolongacion 25 de julio #18	Yauco	PR	698	787-856-0090	South American Restaurants Corporation
8520	Yauco Plaza II	Yauco	PR	866	787-267-0866	South American Restaurants Corporation
11217	1327 Charlotte Hwy	Lancaster	SC	27929	(803) 283-2445	Goalz Restaurant Group NCSC, LLC
10773	2800 Highway 52	Moncks Corner	SC	29461	843-761-4702	The Pantry, Inc.
7358	15600 Charleston Hwy.	Round O	SC	29474	843-893-4128	The Pantry, Inc.
150	3077 Thomas Street	Memphis	TN	38127	901-358-9728	R.L.T. Enterprises, Inc.
69	4026 North First	Abilene	TX	79603	325-673-1741	Abilene Enterprises, Ltd
709	3234 South 14th Street	Abilene	TX	79605	325-695-5588	Abilene Enterprises, Ltd
897	1309 Grape Street	Abilene	TX	79601	325-672-4672	Abilene Enterprises, Ltd
307	1104 East Main	Alice	TX	78332	361-664-4262	Ampler Chicken, LLC
1519	1701 Fairway	Alvin	TX	77511	281-331-2677	Royal Texas, LLC
591	200 E. Amarillo Blvd.	Amarillo	TX	79107	806-374-3201	Amarillo Food Co.,Ltd.
592	2002 S. Georgia Street	Amarillo	TX	79109	806-353-1042	Amarillo Food Co.,Ltd.
1460	1341 E. Mulberry St.	Angleton	TX	77515	979-849-3572	S*J Food Service, L.L.C.
1343	1901 W. Wheeler	Aransas Pass	TX	78336	361-758-7166	Ampler Chicken, LLC
10811	8106 Matlock Road	Arlington	TX	76002	817-) 473-4800	BMT Food Corporation

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491	2302 S. Collins Street	Arlington	TX	76014	817-274-0152	L & A Restaurant Holdings, LLC
10352	5410 Matlock Road	Arlington	TX	76018	817-465-4456	EZ Chicken LLC
386	1945 W. William Cannon- St. 190	Austin	TX	78745	512-445-0330	Ampler Chicken, LLC
713	5339 Cameron Road	Austin	TX	78723	512-458-3426	Ampler Chicken, LLC
765	8545 Research Blvd.	Austin	TX	78758	512-836-0345	Ampler Chicken, LLC
2004	5309 Nuckols Crossing	Austin	TX	78744	(512) 462-9560	Ampler Chicken, LLC
10206	13729 Hwy. 183 N. Suite 900	Austin	TX	78750	512-257-3565	The Chicken Master, LLC
1619	11913 Lake June Rd	Balch Springs	TX	75180	(972) 289-1277	L & A Restaurant Holdings, LLC
4655	1014 Main Street	Bandera	TX	78003	830-796-3351	Cleo Bustamante Enterprises, Inc.
1453	2514 Seventh St	Bay City	TX	77414	(979) 245-9411	Royal Texas, LLC
10907	16151 W Interstate 10 East	Baytown	TX	77523	281-576-4600	Triple J's Fried Food Inc.
1104	1931 Garth Road	Baytown	TX	77521	281-422-5030	Royal Texas, LLC
10633	7525 Highway 105	Beaumont	TX	77713	409-924-0635	Select Foods, LLC
41	2999 Magnolia	Beaumont	TX	77703	409-835-5270	Royal Texas, LLC
43	615 Washington Blvd.	Beaumont	TX	77705	409-835-4125	Royal Texas, LLC
228	2780 Washington Blvd.	Beaumont	TX	77705	(409) 835-0603	Royal Texas, LLC
235	3095 Calder Avenue	Beaumont	TX	77702	(409) 835-7281	Royal Texas, LLC
1674	229 Dowlen	Beaumont	TX	77706	(409) 860-3846	Royal Texas, LLC
481	611 NE Washington St.	Beeville	TX	78102	361-358-9256	Ampler Chicken, LLC
11279	105 River Fair Blvd	Belton	TX	76513	(254) 613-1161	Ampler Chicken, LLC
1334	1041 S. Market Street	Brenham	TX	77833	979-836-2712	S & B Food Service, LLC
10683	1805 Texas Ave	Bridge City	TX	77611	409-738-3567	Swati Enterprises, Inc.
10701	205 Waller Avenue	Brookshire	TX	77423	281-934-1001	Excel Restaurants, Inc.
468	507 N. Texas Avenue	Bryan	TX	77801	(979) 822-5216	Ampler Chicken, LLC
5418	2430 W. Commerce Street	Buffalo	TX	75831	903-322-9159	S*J Food Service, L.L.C.
10710	253 Hwy 36 North	Caldwell	TX	77836	979-567-1400	Central Texas Star Investments, LLC
3978	203 First Street	Carrizo Springs	TX	78834	830-876-5901	Cleo Bustamante Enterprises, Inc.
4142	2020 E. Beltline Road	Carrollton	TX	75006	(972) 417-8827	M. Baig, LTD.
4857	1039 US Hwy 59 North	Carthage	TX	75633	903-693-9312	Seyed Mohammad Bagher Hashemi
10626	1601 E. Whitestone Boulevard	Cedar Park	TX	78726	512 259-1841	TM Investment Group, LLC.
7360	415 Sheldon Road	Channelview	TX	77530	281-452-3636	Balvinder Singh

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556	616 North Main	Cleburne	TX	76033	817-202-9320	Y&A Holdings, LLC
1504	206 West Houston	Cleveland	TX	77327	(281) 592-3536	Royal Texas, LLC
7062	16145 FM 1485 Road	Conroe	TX	77301	281-689-5747	Beltway Investment, Inc.
3639	1203 N. Frazier St.	Conroe	TX	77301	936-756-4606	J & A Food Service, LLC
1263	9090 FM 78	Converse	TX	78109	210-658-6008	Terlochan Singh
579	501 E. Hwy 190	Copperas Cove	TX	76522	(254) 547-7766	Bhinder Enterprises, Inc.
1703	3140 Gollihar	Corpus Christi	TX	78405	(361) 852-8123	South Texas Chicken, Inc.
1714	2901 Ayers St	Corpus Christi	TX	78404	361-883-7743	South Texas Chicken, Inc.
1752	3502A Leopard	Corpus Christi	TX	78408	361-884-2513	South Texas Chicken, Inc.
1760	735 Lum	Corpus Christi	TX	78412	361-992-0626	South Texas Chicken, Inc.
1802	4901 Greenwood	Corpus Christi	TX	78416	361-852-8707	South Texas Chicken, Inc.
1813	5149 Weber	Corpus Christi	TX	78411	361-852-5714	South Texas Chicken, Inc.
11324	10101 South Padre Island Drive	Corpus Christi	TX	78418	(361) 353-0041	South Texas Chicken, Inc.
581	1400 W. 7th Street	Corsicana	TX	75110	903-872-4991	Farhad Ranmal
1555	13821 FM 2100 Rd.	Crosby	TX	77532	281-328-5101	S*J Food Service, L.L.C.
5318	1901 Hwy 83 North	Crystal City	TX	78839	830-374-0600	Kwik Chek Food Stores
10334	1230 North Esplanade St	Cuero	TX	77954	361-275-6629	Surrey Enterprises, Inc.
1051	10545 Harry Hines	Dallas	TX	75220	(214) 351-2403	M. Baig, LTD.
1386	4210 Gaston Avenue	Dallas	TX	75246	(214) 823-2856	M. Baig, LTD.
1439	2317 W. Ledbetter Dr.	Dallas	TX	75224	214-330-1032	M. Baig, LTD.
1687	8080 Ferguson Rd.	Dallas	TX	75228	214-328-3570	M. Baig, LTD.
4835	3601 Forest Lane	Dallas	TX	75234	(972) 243-1448	M. Baig, LTD.
10612	14115 Coit Road	Dallas	TX	75254	972 392 9885	Nebras, Inc.
4914	10201 C.F. Hawn Freeway	Dallas	TX	75217	972-557-3700	Kawal Financial, Inc
4898	820 S. Walton Walker Blvd.	Dallas	TX	75211	214-331-3544	Team Financial, Inc.
5523	4411 W. Kiest Blvd.	Dallas	TX	75236	214-330-3100	Ann, Inc.
201	10295 Ferguson Rd	Dallas	TX	75228	(214) 327-6785	L & A Restaurant Holdings, LLC
4598	9363 Forest Lane	Dallas	TX	75243	972-231-2755	L & A Restaurant Holdings, LLC
39	606 N. Hampton Road	Dallas	TX	75208	(214) 946-4015	MarLu Texas, LLC

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1009	1035 W. Mockingbird	Dallas	TX	75247	(214) 631-6289	MarLu Texas, LLC
4757	2516 Inwood Road	Dallas	TX	75235	(214) 351-5912	MarLu Texas, LLC
35	4656 Scyene Road	Dallas	TX	75210	(214) 421-7023	S & B Food Service, LLC
80	3605 S. Lancaster Rd	Dallas	TX	75216	(214) 374-8700	S & B Food Service, LLC
83	2509 S. Westmoreland Rd.	Dallas	TX	75211	(214) 330-9614	S & B Food Service, LLC
224	2410 S. Zang Blvd	Dallas	TX	75224	(214) 946-9634	S*J Food Service, L.L.C.
347	1025 W. Camp Wisdom	Dallas	TX	75232	(214) 375-9097	S & B Food Service, LLC
1520	102 E. San Augustine	Deer Park	TX	77536	281-479-9526	B & A Food Service, L.L.C.
3105	1900 Veterans Boulevard	Del Rio	TX	78840	(830) 775-4788	Ampler Chicken, LLC
1690	501 North Austin	Denison	TX	75020	903-465-9689	M. Baig, LTD.
4924	114 N. Hampton Road	Desoto	TX	75115	(972) 274-6863	S & B Food Service, LLC
4657	109 S. Teal Avenue	Devine	TX	78016	830-665-5299	William Jones
1499	208 N. Temple	Diboll	TX	75941	936-829-4464	S & B Food Service, LLC
1477	2401 Main St	Dickinson	TX	77539	(281) 337-2755	Royal Texas, LLC
10854	16220 IH 35 South	Dilley	TX	78017	830-963-0548	Dilley Truck Stop, LLC
763	201 E. Camp Wisdom Rd	Duncanville	TX	75116	(972) 298-4127	S*J Food Service, L.L.C.
10157	1990 South Veteran's Blvd.	Eagle Pass	TX	78852	830-773-1500	Cleo Bustamante Enterprises, Inc.
10984	6995 FM 1021	Eagle Pass	TX	78852	(830) 757-6740	Cleo Bustamante Enterprises, Inc.
11027	3195 Del Rio Blvd.	Eagle Pass	TX	78852	(830) 213-8176	Cleo Bustamante Enterprises, Inc.
795	1430 Main Street	Eagle Pass	TX	78852	830-757-3672	Ampler Chicken, LLC
1412	110 East Houston Highway	Edna	TX	77957	361-782-2916	S&S Food Service II, Inc.
1456	606 N. Mechanic	El Campo	TX	77437	(979) 543-6961	Royal Texas, LLC
23	5328 Will Ruth Ave	El Paso	TX	79924	915-755-8696	Bernard P. Newman Family Trust d/b/a Best Chicken of El Paso
29	812 North Copia Street	El Paso	TX	79903	915-565-3338	Bernard P. Newman Family Trust d/b/a Best Chicken of El Paso
245	338 North Zaragosa	El Paso	TX	79907	915-859-3524	Bernard P. Newman Family Trust d/b/a

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						Best Chicken of El Paso
593	5308 Dyer	El Paso	TX	79904	915-566-5973	Bernard P. Newman Family Trust d/b/a Best Chicken of El Paso
594	1077 North Carolina	El Paso	TX	79915	915-592-6068	Bernard P. Newman Family Trust d/b/a Best Chicken of El Paso
793	3395 North Yarborough	El Paso	TX	79925	915-593-1023	Bernard P. Newman Family Trust d/b/a Best Chicken of El Paso
1199	119 East Paisano Drive	El Paso	TX	79901	915-542-1277	Bernard P. Newman Family Trust d/b/a Best Chicken of El Paso
1262	2112 N. Zaragoza Road	El Paso	TX	79938	(915) 856-7575	Best Chicken of El Paso, LLC
1538	8028 North Mesa St	El Paso	TX	79932	915-584-4966	Bernard P. Newman Family Trust d/b/a Best Chicken of El Paso
8537	1350 Zaragoza Rd	El Paso	TX	79935	915-856-7870	B. P. Newman
10430	11388 Gateway Blvd North	El Paso	TX	79934	915-821-3105	Bernard P. Newman Family Trust d/b/a Best Chicken of El Paso
10460	6101 Alameda Ave.	El Paso	TX	79905	915-887-0011	Bernard P. Newman Family Trust d/b/a Best Chicken of El Paso
10728	6451 S. Desert Blvd	El Paso	TX	79932	915-584-1544	Bernard P. Newman Family Trust d/b/a Best Chicken of El Paso
10946	43 East Texas State Hwy 44	Encinal	TX	78019	956-948-4010	Road Ranger, LLC
10527	230 W. Harwood Road	Euless	TX	76039	817-571-2030	Alina Investments Incorporated
4012	102 C.C. Camp Road	Fabens	TX	79838	915-764-2075	B.P. Newman Family Trust; Javier DeAnda; David T. Newman; B.P. Newman
1767	304 South St. Marys Street	Falfurrias	TX	78355	361-325-5734	B.C. Restaurants, Ltd.
1362	1317 - 10Th Street	Floresville	TX	78114	(830) 216-7502	Ampler Chicken, LLC

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53	3800 E. Rosedale Ave	Fort Worth	TX	76105	817-534-2451	Fort Worth Co., Ltd
460	6500 Meadow Brook Drive	Fort Worth	TX	76112	817-451-6700	BK & R Food Co., Ltd.
461	5662 E. Lancaster Ave.	Fort Worth	TX	76112	817-451-6461	Fort Worth Co., Ltd
1579	1701 Sycamore School Road	Fort Worth	TX	76134	817-551-1324	Fort Worth Co., Ltd
51	1301 N. W. 28Th	Fort Worth	TX	76164	(817) 624-3011	Midwest Hospitality, LLC
55	2120 W. Seminary	Fort Worth	TX	76115	(817) 926-8711	L & A Restaurant Holdings, LLC
190	3344 Lackland Road	Fort Worth	TX	76116	817-732-6091	L & A Restaurant Holdings, LLC
2032	6430 McCart Avenue	Fort Worth	TX	76113	(817) 346-2882	L & A Restaurant Holdings, LLC
4798	3605 Western Center Blvd.	Fort Worth	TX	76137	817-306-5555	Dallas H & R, Inc.
10475	10137 West Freeway	Fort Worth	TX	76116	817-696-0403	EBLA Corporation
3601	614 East Main ST	Fredericksburg	TX	78624	830-997-7333	Cleo Bustamante Enterprises, Inc.
1313	1001 N. Brazosport Blvd	Freeport	TX	77541	(979) 265-0548	Royal Texas, LLC
10616	12320 Highway 6	Fresno	TX	77545	281-431-5200	Maximus QSR, LLC
10616	12320 Highway 6	Fresno	TX	77545	281-431-5200	Maximus QSR, LLC
1564	5602 Broadway Blvd.	Garland	TX	75043	(972) 240-4304	M. Baig, LTD.
1385	3028 S. First Street	Garland	TX	75042	(972) 278-9499	Lutfi Enterprises, LLC
4689	2520 West Walnut	Garland	TX	75042	(972) 272-7930	Lutfi Enterprises, LLC
10435	2002 Highway 66	Garland	TX	75040	972-272-0072	EBLA Corporation
1790	212 N Nueces	George West	TX	77022	361-449-1864	B.C. Restaurants, Ltd.
5285	1821 W. Tarrant Road	Grand Prairie	TX	75050	972-642-4597	Sanya Investments, Inc.
1043	401 W. Hwy 303	Grand Prairie	TX	75051	(972) 262-5052	MarLu Texas, LLC
10155	1407 W. North Carrier Parkway	Grand Prairie	TX	75050	972-623-1355	Grand Track, Inc.
239	3900 NE 28th Street	Haltom City	TX	76111	(817) 834-9851	L & A Restaurant Holdings Group, LLC
11215	670 E. Knights Way	Harker Heights	TX	76548	254-870-0980	Ampler Chicken, LLC
1772	406 North Smith Avenue	Hebbronville	TX	78361	361-527-4619	B.C. Restaurants, Ltd.
1782	2101 West 19th ST	Hondo	TX	78861	830-426-5272	Cleo Bustamante Enterprises, Inc.
10937	13658 Eastlake Blvd	Horizon City	TX	79928	915-852-5190	Best Chicken of El Paso, LLC
1090	3501 Jensen Drive	Houston	TX	77026	713-228-7817	Parallel Lines, LLC
1548	3207 Old Spanish Trail	Houston	TX	77021	713-748-8779	Parallel Lines, LLC
4558	5125 Aldine Mail Route Rd.	Houston	TX	77039	281-442-8886	Parallel Lines, LLC
7056	7895 A West Tidwell Road	Houston	TX	77040	713-690-1119	Parallel Lines, LLC

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5661	13648 Hwy 249	Houston	TX	77086	281-272-9131	Nida, Inc.
10491	8011 Antoine Dr.	Houston	TX	77088	281-445-0447	Nida, Inc.
10586	17225 Crosby Freeway	Houston	TX	77049	281 456 7600	Jamis Food, Inc.
5309	11778 Clay Road	Houston	TX	77043	713-849-2362	United Partnership, Inc.
4711	5600 Mykawa Rd./Fiesta #5	Houston	TX	77033	713-643-6293	Shaian Enterprises, Inc.
1059	1533 N. Wayside Dr	Houston	TX	77020	(713) 671-2877	Royal Texas, LLC
1083	8926 Jensen	Houston	TX	77093	(713) 692-2374	Royal Texas, LLC
1089	6405 Telephone Rd	Houston	TX	77061	(713) 649-2931	Royal Texas, LLC
1102	7445 Harrisburg	Houston	TX	77011	(713) 921-1318	Royal Texas, LLC
1117	9403 Homestead	Houston	TX	77016	713-635-3229	Royal Texas, LLC
1143	309 S. Lockwood	Houston	TX	77011	(713) 921-4140	Royal Texas, LLC
1154	4575 Griggs Rd	Houston	TX	77021	(713) 748-6498	Royal Texas, LLC
1181	5725 Lockwood	Houston	TX	77026	(713) 635-2025	Royal Texas, LLC
1293	8841 Cullen Blvd	Houston	TX	77051	(713) 738-5078	Royal Texas, LLC
1450	8015 Beechnut	Houston	TX	77036	(713) 772-1306	Royal Texas, LLC
1452	14450 S. Post Oak	Houston	TX	77045	(713) 433-0943	Royal Texas, LLC
1466	3334 Mangum	Houston	TX	77092	(713) 681-7237	Royal Texas, LLC
1470	12350 Westheimer Rd Suite N	Houston	TX	77077	281-497-7684	Royal Texas, LLC
1475	11121 Fondren Rd	Houston	TX	77096	(713) 995-5412	Royal Texas, LLC
1476	11334 Hughes Rd	Houston	TX	77089	(281) 481-8825	Royal Texas, LLC
1486	10803 Bissonnet	Houston	TX	77099	(281) 933-1651	Royal Texas, LLC
1491	7020 Woodridge	Houston	TX	77087	(713) 649-7852	Royal Texas, LLC
1492	4701 Irvington Blvd	Houston	TX	77009	(713) 694-7522	Royal Texas, LLC
1495	925 E. Tidwell	Houston	TX	77022	(713) 692-0247	Royal Texas, LLC
1556	9122 Mesa Drive	Houston	TX	77028	(713) 633-0144	Royal Texas, LLC
1608	10080 Long Point	Houston	TX	77055	(713) 467-5310	Royal Texas, LLC
1624	6810 Reserve A-Hwy 6 S.	Houston	TX	77083	281-568-6014	Royal Texas, LLC
10338	13548 Beechnut Street	Houston	TX	77083	281-983-9400	Royal Texas, LLC
10189	13350 Alameda Rd.	Houston	TX	77045	713-434-0916	Dawani Stores, Inc.
10478	12802 E. Freeway	Houston	TX	77015	713-330-8400	Dawani Foods, Inc.
5438	14455 Cullen Blvd.	Houston	TX	77047	713-733-1848	Beltway Investment, Inc.
10809	16902 Tuckerton Road	Houston	TX	77095	281-758-1573	Beltway Investment, Inc.
1473	6008 Chimney Rock	Houston	TX	77081	713-664-4416	Maximus QSR, LLC
1482	6000 S. Gessner Road	Houston	TX	77036	713-988-0106	Maximus QSR, LLC
1553	354 Uvalde	Houston	TX	77015	713-455-3102	Maximus QSR, LLC
10649	10658 Monroe Road	Houston	TX	77075	713-987-5744	Wise Investors, LLC

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5971	743 North Sam Houston Pkwy E	Houston	TX	77060	281-405-8791	Four Star Foods, LLC
10555	10186 Veterans Memorial Dr.	Houston	TX	77038	281-448-4334	Four Star Foods, LLC
10782	392 N. Sam Houston Pkwy E #D	Houston	TX	77060	281-448-1900	Four Star Foods, LLC
11318	108 W Greens Rd	Houston	TX	77060	(281) 836-5187	Four Star Foods, LLC
10669	8255-A Mills Road	Houston	TX	77064	832-688-8089	Ryan Ventures, Inc.
11023	9825 Jones Road	Houston	TX	77064	(832) 604-6539	Shepherd Food Investment, Inc.
1119	202 West Little York Rd	Houston	TX	77076	713-695-5235	S & A Food Service, LLC
1122	5207 N Sheppard Dr	Houston	TX	77018	713-697-4103	S & S Food Service, Ltd. Co.
1478	425 Crosstimbers	Houston	TX	77022	713-695-4372	A A D Food Service, LLC
1557	12512 Highway 90	Houston	TX	77049	281-458-5341	S*J Food Service, L.L.C.
4888	12004 Veterans Memorial Drive	Houston	TX	77067	281-537-1979	A A D Food Service, LLC
10476	8827 E. Sam Houston Pkwy North	Houston	TX	77044	281-458-9090	Zaq Equity, LLC
10477	9481 Kempwood Dr	Houston	TX	77080	713-996-7370	Zaq Equity, LLC
10519	15515 Kuykendahl Rd.	Houston	TX	77090	281-586-9299	Zaq Equity, LLC
4720	3503 Gulf Freeway	Houston	TX	77003	713-222-0642	Sugarland Petroleum, Inc.
10798	13955 E. Sam Houston Parkway North	Houston	TX	77044	281-458-0701	First Sugarland Investments, LLC
3952	9404 N. Freeway 45 @ FM 249	Houston	TX	77037	281-405-9033	Excel Restaurants, Inc.
4490	6962 TC Jester Blvd.	Houston	TX	77091	713-263-7755	Excel Restaurants, Inc.
4853	15811 JFK Blvd.	Houston	TX	77032	281-219-0480	Prestige Funds Two, LLC
5971	743 North Sam Houston Pkwy E	Houston	TX	77060	281-405-8791	Four Star Foods, LLC
10557	21502 Aldine Westfield Road	Humble	TX	77336	281-821-5211	Four Star Foods, LLC
10167	10910 Will Clayton Pkwy	Humble	TX	77396	281-852-0618	G&A Food Service, LLC
3942	9475 FM 1960, Suite B	Humble	TX	77338	281-446-4533	J & A Food Service, LLC
1510	2711 - 11Th St	Huntsville	TX	77340	(936) 291-9830	Royal Texas, LLC
31	501 N. O'Connor Road	Irving	TX	75061	(972) 254-3753	MarLu Texas, LLC
115	2530 N. Story Rd	Irving	TX	75062	(972) 255-6062	MarLu Texas, LLC

List of Franchisees as of December 26, 2021

Rest #	Address	City	State	Zip	Restaurant Phone	Franchise Entity
10610	333 S. Belt Line Road	Irving	TX	75060	(972) 986-1858	Z & R Food Corporation, LLC
1558	10397 Market St.	Jacinto City	TX	77029	(713) 673-7177	Royal Texas, LLC
1640	849 S. Wheeler St	Jasper	TX	75951	(409) 384-9478	Royal Texas, LLC
1254	2305 Fry Road	Katy	TX	77449	(281) 578-3403	Royal Texas, LLC
10858	1410 W Grand Parkway	Katy	TX	77449	281-574-7251	Abbasi Enterprises, Inc.
10625	6201 N. Fry Road	Katy	TX	77449	281 855 1155	Passion Foods, LLC
1766	110 North Sunset Strip Street	Kenedy	TX	78119	830-583-9030	B.C. Restaurants, Ltd.
1763	206 Sidney Baker South	Kerrville	TX	78028	830-257-3333	Cleo Bustamante Enterprises, Inc.
11256	3825 E. Stan Schleuter Loop	Killeen	TX	76549	254-616-9271	Ampler Chicken, LLC
11322	1025 Fort Hood St	Killeen	TX	76541	254-432-8511	Ampler Chicken, LLC
700	2616 E. Hwy. 190	Killeen	TX	76543	(254) 699-8351	Bhinder Enterprises, Inc.
10276	2104 W. Stan Schlueter	Killeen	TX	76549	254-618-5800	The Chicken Expert, LLC
767	1600 S. Brahma Blvd	Kingsville	TX	78363	(361) 592-1191	Ampler Chicken, LLC
1363	5096 Farm Rd. 78	Kirby	TX	78219	(210) 661-6823	Ampler Chicken, LLC
10976	10901 Fairmont Pkwy	La Porte	TX	77571	(281) 941-4975	Radha Investment, Inc.
4537	1901 FM 1765	LaMarque	TX	77568	409-933-1900	Royal Texas, LLC
4773	3160 West Pleasant Run Rd	Lancaster	TX	75146	972-274-4414	Gramsn Fuels, Inc.
22	1702 Guadalupe St.	Laredo	TX	78040	(956) 722-6131	Ampler Chicken, LLC
48	3420 San Bernardo Avenue	Laredo	TX	78040	(956) 722-2802	Ampler Chicken, LLC
10202	3615 Highway 83	Laredo	TX	78046	956-723-3456	Pollos Del Sur, Inc.
10203	10219 McPherson Road	Laredo	TX	78045	956-791-6358	Pollos Del Sur, Inc.
10220	611 Rancho Viejo Drive	Laredo	TX	78045	956-727-1495	Pollos Del Sur, Inc.
10279	2333 Bob Bullock Loop	Laredo	TX	78043	956-791-7824	Pollos Del Sur, Inc.
10374	2201 E. Saunders	Laredo	TX	78040	956 726-2656	Pollos Del Sur, Inc.
3890	6701 McPherson Road	Laredo	TX	78041	956-712-3342	Best Chicken of Laredo, LLC
7031	1108 Zaragoza Street	Laredo	TX	78040	956-523-0199	B.P. Newman
1481	1201 Bay Area Blvd.	League City	TX	77058	281-486-1555	AARTI Enterprises, Inc.
892	7003 Bandera Road	Leon Valley	TX	78238	210-681-7114	VIR Enterprises, Inc.
708	1298 Highway 121	Lewisville	TX	75067	972-221-1311	MarLu Texas, LLC
1511	210 N. Washington	Livingston	TX	77351	(936) 327-5787	Royal Texas, LLC
303	217 East Marshall	Longview	TX	75601	903-758-1822	Best Chicken of Shreveport, LLC
589	1702 S. 50Th Street	Lubbock	TX	79412	(806) 749-5184	Ampler Chicken, LLC
2120	6410 19th St	Lubbock	TX	79407	806-791-6710	Ampler Chicken, LLC

List of Franchisees as of December 26, 2021

Rest #	Address	City	State	Zip	Restaurant Phone	Franchise Entity
8769	905 Avenue Q	Lubbock	TX	79401	806 747-1312	Ampler Chicken, LLC
503	101 S. Timberland	Lufkin	TX	75901	936-632-7097	S & B Food Service, LLC
10840	795 S MAIN ST	Lumberton	TX	77657	409-227-4052	Select Foods, LLC
11308	19353 McDonald Street	Lytle	TX	78052	830-709-7352	Ampler Chicken, LLC
8783	521 N. 3rd. Street	Mabank	TX	75147	903-887-0578	EBLA Corporation
10250	3002 E. Main Street	Madisonville	TX	77864	936-348-3528	Carter's Restaurants, Inc.
10229	17510 Morris Avenue	Manvel	TX	77578	281-692-0000	Sugarland Petroleum, Inc.
1789	904 East San Patricio Ave	Mathis	TX	78368	361-547-7338	B.C. Restaurants, Ltd.
5342	728 N. Gallaway Avenue	Mesquite	TX	75149	(972) 290-9044	L & A Restaurant Holdings Group, LLC
450	202 N. Midkiff	Midland	TX	79701	(432) 694-5858	Ampler Chicken, LLC
896	1400 N. Big Springs	Midland	TX	79701	(432) 683-8841	Ampler Chicken, LLC
1468	1949 FM 2234	Missouri City	TX	77489	281-499-4694	MSK Enterprises, Inc.
1308	1720 E. Washington Avenue	Navasota	TX	77868	(936) 825-3898	Royal Texas, LLC
705	930 Nederland Ave	Nederland	TX	77627	(409) 727-1333	Royal Texas, LLC
1768	400 North McCoy	New Boston	TX	75570	903-628-2149	S*J Food Service, L.L.C.
518	824 W. San Antonio Street	New Braunfels	TX	78130	(830) 609-1100	Ampler Chicken, LLC
50	620 N. Dixie Blvd.	Odessa	TX	79761	(432) 332-1283	Ampler Chicken, LLC
455	3800 Andrews Highway	Odessa	TX	79762	(432) 362-6413	Ampler Chicken, LLC
803	1336 N. County Road W.	Odessa	TX	79763	(432) 333-5727	Ampler Chicken, LLC
10920	10490 W. Interstate 20	Odessa	TX	79763	432-231-0050	Road Ranger, LLC
218	1322 N. 16Th Street	Orange	TX	77630	(409) 883-7011	Royal Texas, LLC
1526	419 W. Palestine	Palestine	TX	75801	903-729-1888	Fred Ranmal
10219	1117 East Veterans Blvd.	Palmview	TX	78572	956-583-5757	Mario Sanchez
1105	2401 S. Shaver	Pasadena	TX	77502	(713) 943-1576	Royal Texas, LLC
1528	929 E. Southmore	Pasadena	TX	77502	713-473-6467	Maximus QSR, LLC
10238	5234 Spencer Highway	Pasadena	TX	77505	281-998-8398	B & P Food Service, LLC
10859	7201 W. Broadway Street	Pearland	TX	77581	832-853-7189	BCP Enterprises, Inc.
10503	111 N. IH 35	Pearsall	TX	78061	830-334-3131	Pear Enterprises, Inc.
7055	32346 State Hwy 249	Pinehurst	TX	77362	281-525-3836	Abbasi Enterprises, Inc.
5804	2300 E. Parker Road	Plano	TX	75074	972-943-9389	Virani 2300 Inc.
1352	1018 Second Street	Pleasanton	TX	78064	(830) 569-6611	Ampler Chicken, LLC
30	2000 Gulfway Drive	Port Arthur	TX	77640	(409) 982-4175	Royal Texas, LLC
891	1849 Jefferson Drive	Port Arthur	TX	77642	(409) 982-5688	Royal Texas, LLC
1463	206 State Highway 35 S	Port Lavaca	TX	77979	(361) 552-5266	MSK Enterprises, Inc.

List of Franchisees as of December 26, 2021

Rest #	Address	City	State	Zip	Restaurant Phone	Franchise Entity
10784	21775 FM 1314	Porter	TX	77365	281-345-4620	Beltway Investment, Inc.
3936	100 Harris Avenue	Red Oak	TX	75154	972-617-9998	EBLA Corporation
1451	4823 Avenue H	Rosenberg	TX	77471	281-341-7810	Maximus QSR, LLC
10738	1500 S. AW Grimes Boulevard, Unit 300	Round Rock	TX	78664	(512) 255 - 7755	Ampler Chicken, LLC
10506	4401 N. Interstate 35, Suite 896	Round Rock	TX	78664	512-863-6260	FICCO, L.L.C.
10717	1700 Dalrock Road	Rowlett	TX	75088	972-303-8946	St. George & Ava Tigi, Inc.
10808	7360 Highway 78	Sachse	TX	75048	972-429-8585	Eidi, Inc.
3887	2301 N. Bryant Blvd.	San Angelo	TX	76903	325-658-7775	Cleo Bustamante Enterprises, Inc.
10720	2840 W. Loop 1604 South	San Antonio	TX	78245	210-209-8873	Cleo Bustamante Enterprises, Inc.
10824	15171 Judson Road, Suite 101	San Antonio	TX	78247	210-637-6300	Cleo Bustamante Enterprises, Inc.
10899	12845 Potranco Rd	San Antonio	TX	78245	210-876-2280	Cleo Bustamante Enterprises, Inc.
10962	13323 Culebra Rd, Ste 103	San Antonio	TX	78254	210-384-2652	Cleo Bustamante Enterprises, Inc.
11035	24354 Wilderness Oak	San Antonio	TX	78258	210-318-4387	Cleo Bustamante Enterprises, Inc.
2	234 Valley Hi Drive	San Antonio	TX	78227	(210) 673-2877	Ampler Chicken, LLC
3	430 S. New Braunfels Ave	San Antonio	TX	78203	(210) 534-0111	Ampler Chicken, LLC
8	1923 Goliad Rd	San Antonio	TX	78223	(210) 333-8910	Ampler Chicken, LLC
9	3119 SW Military Drive	San Antonio	TX	78224	(210) 923-8431	Ampler Chicken, LLC
10	1209 Steves Avenue	San Antonio	TX	78210	(210) 532-9112	Ampler Chicken, LLC
11	219 Zarzamora Street South	San Antonio	TX	78207	(210) 438-0643	Ampler Chicken, LLC
73	1318 S. WW White Rd	San Antonio	TX	78220	(210) 333-4930	Ampler Chicken, LLC
94	2856 Culebra road	San Antonio	TX	78228	(210) 435-0645	Ampler Chicken, LLC
97	2525 Nogalitos St	San Antonio	TX	78225	(210) 932-2525	Ampler Chicken, LLC
132	1302 Castroville Road	San Antonio	TX	78237	(210) 433-6871	Ampler Chicken, LLC
342	5903 San Pedro Ave.	San Antonio	TX	78212	(210) 734-3391	Ampler Chicken, LLC
372	1839 W. Hildebrand Ave.	San Antonio	TX	78201	(210) 732-5430	Ampler Chicken, LLC
564	11910 Perrin Beitel Rd	San Antonio	TX	78217	(210) 653-2510	Ampler Chicken, LLC
565	11623 West Avenue	San Antonio	TX	78213	(210) 342-7172	Ampler Chicken, LLC
712	1615 Bandera Rd	San Antonio	TX	78228	(210) 435-8561	Ampler Chicken, LLC
893	7919 Marbach Rd	San Antonio	TX	78227	(210) 673-0080	Ampler Chicken, LLC
1187	1850 S. General Mcmullen Drive	San Antonio	TX	78226	(210) 432-5851	Ampler Chicken, LLC
1246	8757 Huebner Rd	San Antonio	TX	78240	(210) 699-0673	Ampler Chicken, LLC
1258	4747 Rittiman Road	San Antonio	TX	78218	210-653-4183	Ampler Chicken, LLC

List of Franchisees as of December 26, 2021

Rest #	Address	City	State	Zip	Restaurant Phone	Franchise Entity
1264	8995 Grissom Road	San Antonio	TX	78251	210-680-6207	Ampler Chicken, LLC
1278	8459 Five Palms Drive	San Antonio	TX	78242	(210) 623-5800	Ampler Chicken, LLC
1330	4414 Callaghan	San Antonio	TX	78228	(210) 434-5048	Ampler Chicken, LLC
1682	2502 Palo Alto Rd	San Antonio	TX	78211	(210) 924-8712	Ampler Chicken, LLC
2012	9710 Potranco Rd.	San Antonio	TX	78245	(210) 680-3783	Ampler Chicken, LLC
3404	1003 S.E. Military Dr.	San Antonio	TX	78214	(210) 927-9389	Ampler Chicken, LLC
1588	7307 North Loop 1604 W.	San Antonio	TX	78249	210-695-2109	A & G Enterprises, Inc.
10428	2602 N.W. Loop 410	San Antonio	TX	78230	210-979-8700	Arrow International Investments Inc.
299	2431 Basse Road	San Antonio	TX	78213	210-344-1422	VIR Enterprises, Inc.
1297	9405 Guilbeau	San Antonio	TX	78250	210-684-1407	VIR Enterprises, Inc.
900	2026 South Alamo	San Antonio	TX	78204	210-226-3690	Terlochan Singh
1774	602 East Gravis Ave	San Diego	TX	78384	361-279-3260	B.C. Restaurants, Ltd.
11197	13296 Socorro Road	San Elizario	TX	79849	915-851-6566	Best Chicken of El Paso, LLC
10593	601 Malloy Bridge Road	Seagoville	TX	75159	972-287-3334	EBLA Corporation
471	404 W. Court Street	Seguin	TX	78155	(830) 379-8166	Ampler Chicken, LLC
10169	19153 I-45 South	Shenandoah	TX	77385	281-419-4019	Four Star Foods, LLC
10493	6280 Hwy 59 S	Shepherd	TX	77371	(936) 628-2060	Shepherd Food Investment, Inc.
321	200 East Houston ST	Sherman	TX	75090	903-892-1441	M. Baig, LTD.
3011	10009 Alameda	Socorro	TX	79927	915-859-3198	Bernard P. Newman Family Trust d/b/a Best Chicken of El Paso
1065	1213 College	South Houston	TX	77587	(713) 946-1805	Royal Texas, LLC
1454	3200 S. Main	Stafford	TX	77477	(281) 499-2014	Royal Texas, LLC
9932	12602 Southwest Freeway	Stafford	TX	77477	281-494-2984	Ryan Ventures, Inc.
6099	10017 Texas 6 South	Sugar Land	TX	77478	281-564-2456	Sugarland Petroleum, Inc.
1169	1710 S. 31St Street	Temple	TX	76501	(254) 771-1011	Ampler Chicken, LLC
10711	1592 State Highway 34 S	Terrell	TX	75160	972-563-2100	QW ZAK INCORPORATED
527	2223 New Boston Road	Texarkana	TX	75501	903-794-8134	Best Chicken of Shreveport, LLC
1490	2303 25th Ave N	Texas City	TX	77590	(409) 948-0897	Royal Texas, LLC
714	822 W. Gentry Parkway	Tyler	TX	75702	903-595-2281	Peridot Restaurants, Inc.
762	535 S. Beckham Ave.	Tyler	TX	75702	903-597-1942	Peridot Restaurants, Inc.
3784	105 N. NW Loop 323	Tyler	TX	75701	903-595-5655	Penco Energy Corporation

List of Franchisees as of December 26, 2021

Rest #	Address	City	State	Zip	Restaurant Phone	Franchise Entity
10759	120 So. SE Loop 323	Tyler	TX	75708	903-593-7561	Peridot Restaurants, Inc.
512	123 W. Main	Uvalde	TX	78801	(830) 278-6867	Ampler Chicken, LLC
10551	13965 IH 35S	Valley View	TX	76272	940-726-5643	EBLA Corporation
1303	4305 Ben Jordan	Victoria	TX	77901	361-575-7231	S&S Food Service II, Inc.
1331	209 West Rio Grande	Victoria	TX	77901	361-578-3232	Singh Venture, LLC
112	1325 E. Waco Drive	Waco	TX	76704	(254) 799-6671	Ampler Chicken, LLC
127	1515 S. Valley Mills Drive	Waco	TX	76711	(254) 753-5481	Ampler Chicken, LLC
1683	3903 N. 19Th	Waco	TX	76708	(254) 752-0360	Ampler Chicken, LLC
11004	6615 North IH35	Waco	TX	76705	815-977-7865	Road Ranger, LLC
1493	806 S. Columbia	West Columbia	TX	77486	(979) 345-5427	Royal Texas, LLC
1458	2400 N. Richmond Rd	Wharton	TX	77488	(979) 532-5150	Royal Texas, LLC
797	3704 Sheppard Road	Wichita Falls	TX	76306	940-855-8171	M. Baig, LTD.
4656	103 I-45 Frontage Rd	Wilmer	TX	75172	972-441-3747	Tri Gaz, Inc.,
1771	101 Hwy 83	Zapata	TX	78076	956-765-6859	B.C. Restaurants, Ltd.
1214	3215 Jefferson Avenue	Newport News	VA	23607	(757) 244-0135	QSR Hospitality, LLC
1267	2308 E. Princess Anne Rd.	Norfolk	VA	23504	757-626-1765	QSR Hospitality, LLC
1227	108 South Sycamore	Petersburg	VA	23803	804-732-7333	Falcon Holdings LLC
1305	350 Effingham Street	Portsmouth	VA	23704	757-397-8852	QSR Hospitality, LLC
10538	23839 Pacific Hwy South	Des Moines	WA	98198	206-824-4212	SSS Restaurants, LLC
10474	31717 Pacific Highway	Federal Way	WA	98003	253-946-0596	S & S Hospitality Group, LLC
10333	11701 Bridgeport Way	Lakewood	WA	98499	253-582-0664	SSS Restaurants, LLC

List of Developers as of December 26, 2021

Entity Name	Street	City	State	Zip	Telephone Number
Wyatt Restaurant Group, LLC	404 Menawa Pass,	Millbrook	AL	36054	(334) 669-3728
Bhatti, Inc.	13530 W. Medlock Dr.,	Litchfield Park	AZ	85340	(602) 619-3066
Chill Factor CC Inc.	15210 Weddington Street	Sherman Oaks	CA	91411	(213) 761-4065
Victory Fast Food, Inc	2410 West Oakridge Road	Orlando	FL	32809	(321) 440-7316
Georgia Restaurant Development Company	11770 Haynes Bridge Road, Ste 205-416	Alpharetta	GA	30009	(770) 707-6383
INF United, LLC	4890 Shiloh Crossing Way,	Cumming	GA	30040	(770) 298-9569
Blessings Forever, LLC	120 Rising Mist Drive,	Fayetteville	GA	30215	(913) 244-8980
Olalekan & AJ, LLC	29 Hartland Court	Savannah	GA	31407	912-604-5505
Maywood CC, Inc.	11453 Boulder Drive	Orland Park	IL	60467	(708) 822-3305
Wichita Restaurants LLC	7424 E. 24th Ct.,	Wichita	KS	67226	(316) 847-3010
79 Horizons LLC	201 St. Charles Avenue, Suite 2500	New Orleans	LA	70170	(504) 658-4065
AARK Lawnside, LLC	8522 Tindal Springs Drive,	Montgomery Village	MD	20886	(301) 717-2102
QSR Group Holdings	8101 Richardson Rd, Suite 101	Commerce Township	MI	48390	(248) 210-6820
QSR Dallas Group, LLC	8101 Richardson Rd, Suite 101	Commerce Township	MI	48390	248-210-6820
Trident DD-NC LLC	70 Wolff Ave	Edison	NJ	8837	(732) 261-8004
Nobas, LLC	7145 Madonna Drive	Las Vegas	NV	89156	(205) 482-3637
Ampler Chicken, LLC	2601 Northwest Expressway, Suite 100W	Oklahoma City	OK	73112	(512) 694-3983
Yummy Chicken LLC	8514 S. Pennsylvania Ave,	Oklahoma City	OK	73159	(405) 834-7565
Ampler Chicken LLC	2601 Northwest Expressway, Suite 100W	Oklahoma City	OK	73112	(512) 694-3983
Refuel Operating Company, LLC	1181 Venning Rd,	Mt. Pleasant	SC	29464	(662) 207-6287
Virani 2300, Inc	2507 Lavaca Drive,	Euless	TX	76039	(817) 729-3070
AVA Chick TX, LLC	655 Industrial Blvd	Sugar Land	TX	77478	(281) 687-0886
SMS Foods, Inc	5000 Debbie Ct.,	Gig Harbor	WA	98335	(404) 617-9183

List of Franchisees Who Had an Outlet Close in FY2021

City	State	Zip	Franchisee Name	Telephone No.	Closure / Transfer
Birmingham	AL	35214	Zohra Mohamed	205-746-7265	Transfer
Eutaw	AL	35462	Terry White	205-887-0130	Transfer
Jackson	AL	36545	Mike Knobelock	281-232-2300	Closure
Tucson	AZ	85716	Noor Samji	520-979-1900	Closure
Arleta	CA	91331	Francisco Carlos	818-423-0608	Closure
El Cerrito	CA	94530	David Davoudpour	404-239-0808	Transfer
Inglewood	CA	90303	Hannibal Myers	770-335-2472	Closure
Los Angeles	CA	90011	David Davoudpour	404-239-0808	Transfer
Oakland	CA	94609	David Davoudpour	404-239-0808	Transfer
Oceanside	CA	92054	Hannibal Myers	770-335-2472	Closure
Sacramento	CA	95823	Hardeep Singh	661-703-7298	Closure
Apopka	FL	32703	Shawn Eby	307-630-2277	Closure
Melbourne	FL	32935	Shawn Eby	307-630-2277	Closure
Hinesville	GA	31313	Kevin Whitfield	912-247-4312	Transfer
Aiea	HI	96701	Jim Hickey	808-561-6549	Closure
Denham Springs	LA	70726	Kristina Fisher	386-527-6133	Closure
Lafayette	LA	70506	Hilda or Mack Guillory	337-540-5735	Transfer
Lafayette	LA	70506	Hilda or Mack Guillory	337-540-5735	Transfer
St. Francisville	LA	70775	Kristina Fisher	386-527-6133	Closure
Pearl	MS	39288	Janet Brewer	601-946-5651	Transfer
Charlotte	NC	28205	Aneel Mithani	704-458-5827	Transfer
Charlotte	NC	28208	Mike Knobelock	281-232-2300	Transfer
Charlotte	NC	28216	Mike Knobelock	281-232-2300	Transfer
Durham	NC	27704	Mike Knobelock	281-232-2300	Transfer
Durham	NC	27703	Mike Knobelock	281-232-2300	Transfer
Greensboro	NC	27406	Mike Knobelock	281-232-2300	Transfer
Lincolnton	NC	28092	Shawn Eby	307-630-2277	Closure
Raleigh	NC	27610	Mike Knobelock	281-232-2300	Transfer
Winston-Salem	NC	27105	Mike Knobelock	281-232-2300	Transfer
Winston-Salem	NC	27107	Mike Knobelock	281-232-2300	Transfer
Las Cruces	NM	88001	Lulu Newman	956-206-7557	Closure
Roswell	NM	88201	Fred Pardo	575-420-8292	Closure
Memphis	TN	38118	Anwar Aman	901-853-6141	Closure
Bandera	TX	78003	Cleo Bustamante	830-876-8663	Transfer
Carrizo Springs	TX	78834	Cleo Bustamante	830-876-8663	Transfer
College Station	TX	77845	Daniyal Ranmal	469-360-2667	Closure
Copperas Cove	TX	76522	Prabhjot Kaur Bhinder	210-863-7583	Transfer
Cypress	TX	77429	Hasham Jiwani	713-240-5200	Closure
Dallas	TX	75208	Tony Lufti	916-275-8669	Transfer
Dallas	TX	75247	Tony Lufti	916-275-8669	Transfer

List of Franchisees Who Had an Outlet Close in FY2021

City	State	Zip	Franchisee Name	Telephone No.	Closure / Transfer
Dallas	TX	75235	Tony Lufti	916-275-8669	Transfer
Eagle Pass	TX	78852	Cleo Bustamante	830-876-8663	Transfer
Eagle Pass	TX	78852	Cleo Bustamante	830-876-8663	Transfer
Eagle Pass	TX	78852	Cleo Bustamante	830-876-8663	Transfer
Fredericksburg	TX	78624	Cleo Bustamante	830-876-8663	Transfer
Garland	TX	75042	Tony Lufti	916-275-8669	Transfer
Garland	TX	75042	Tony Lufti	916-275-8669	Transfer
Grand Prairie	TX	75051	Tony Lufti	916-275-8669	Transfer
Grand Prairie	TX	75050	Tony Lutfi	916-275-8669	Closure
Hondo	TX	78861	Cleo Bustamante	830-876-8663	Transfer
Houston	TX	77090	Anwer Wadiwala	281-235-9473	Transfer
Huffman	TX	77336	Zaki Niazi	281-541-1116	Closure
Irving	TX	75061	Tony Lufti	916-275-8669	Transfer
Irving	TX	75062	Tony Lufti	916-275-8669	Transfer
Katy	TX	77493	Hasham Jiwani	713-240-5200	Closure
Kerrville	TX	78028	Cleo Bustamante	830-876-8663	Transfer
Killeen	TX	76543	Prabhjot Kaur Bhinder	210-863-7583	Transfer
Lewisville	TX	75067	Tony Lufti	916-275-8669	Transfer
Marshall	TX	75670	Lulu Newman	956-206-7557	Closure
Pearland	TX	77581	Faisal Zakaria	281-924-9046	Closure
San Angelo	TX	76903	Cleo Bustamante	830-876-8663	Transfer
San Antonio	TX	78245	Cleo Bustamante	830-876-8663	Transfer
San Antonio	TX	78247	Cleo Bustamante	830-876-8663	Transfer
San Antonio	TX	78245	Cleo Bustamante	830-876-8663	Transfer
San Antonio	TX	78254	Cleo Bustamante	830-876-8663	Transfer
San Antonio	TX	78258	Cleo Bustamante	830-876-8663	Transfer
Waxahachie	TX	75165	Aslam Khan	817-693-5151	Closure
Weimar	TX	78962	Zaki Niazi	281-541-1116	Closure
Newport News	VA	23607	Mike Knobelock	281-232-2300	Transfer
Norfolk	VA	23504	Mike Knobelock	281-232-2300	Transfer
Portsmouth	VA	23704	Mike Knobelock	281-232-2300	Transfer
Cheyenne	WY	82001	Shawn Eby	307-630-2277	Closure

Agreements Signed but Outlet Not Yet Open

Rest#	Franchisee Entity	Franchisee Name	Location/Address	Franchisee Phone
11504	AVA Chick TX, LLC	Vik Agrawal	San Angelo, TX	(281) 687-0886
11510	79 Horizons LLC	Michael Simon	8356 W. Judge Perez Chalmette, LA	(504) 919-6266

EXHIBIT J

OPERATIONS MANUAL
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Operations Manual – Table of Contents

Chicken Entrée Items

- PPS 700-01 Frozen Chicken Handling – 2 pages
- PPS 700-02 Spicy Chicken Marination – 2 pages
- PPS 700-03 Batter Mix Preparation (Spicy and Original) – 2 pages
- PPS 701 Bone-In Chicken Cooking (Spicy and Original) – 4 pages
- PPS 702 *Tender Strips*® (Spicy and Original) – 3 pages

Sandwiches

- PPS 801 Value Chicken Sandwich (Spicy and Original) – 3 pages
- PPS 904 Fish Filets (FTF) – 2 pages

Side Items

- PPS 704-01 Fried Sides (Breaded Okra, Crinkle Cut Fries, Jalapeno Bombers) – 3 pages
- PPS 704-02 Chub Hot Sides – Cajun (Spicy) Rice – 3 pages
- PPS 704-03 Jalapeno Peppers – 2 pages
- PPS 704-04 Corn on the Cob – 3 pages
- PPS 704-04B Corn on the Cob (Carousel) – 3 pages
- PPS 704-05 Mashed Potatoes – 2 pages
- PPS 704-06 Gravy (Brown and White) – 2 pages
- PPS 704-07 Baked Macaroni and Cheese – 2 pages
- PPS 704-08 Coleslaw – 2 pages
- PPS 705 *Church's*® Honey Butter Biscuits – 5 pages

Desserts and Beverages

- PPS 805 Fried Pies – 2 pages
- PPS 806 Soft Drinks – 2 pages
- PPS 807 *Church's Southern Sweet Tea*® – 2 pages
- PPS 808 Frozen Pies – 1 page

Regional/LTO Items

- PPS 703 Boneless Wings – 2 pages
- PPS 802 *Big Tex™* Tender Sandwich – 2 pages
- PPS 901 Chicken Fried Steak – 2 pages
- PPS 902 Livers/Gizzards – 3 pages
- PPS 903 *Biscuit Bites*™ (Basic Procedures) – 2 pages
- PPS 905 Butterfly Shrimp (FTF) – 2 pages
- PPS 906 Popcorn Shrimp – 2 pages
- PPS 907 Southern Style Green Beans – 3 pages
- PPS 908 Sweet Corn Nuggets – 2 pages

Total pages = 223

EXHIBIT K

FINANCIAL STATEMENTS

Consolidated Financial Statements

Cajun Global LLC and Subsidiaries
Period from September 15, 2021 to December 26, 2021 (Successor),
Period from December 28, 2020 to September 14, 2021 (Predecessor)
and Year Ended December 27, 2020 (Predecessor)
With Report of Independent Auditors

Ernst & Young LLP

Building a better working world

Cajun Global LLC and Subsidiaries

Consolidated Financial Statements

Period from September 15, 2021 to December 26, 2021 (Successor),
Period from December 28, 2020 to September 14, 2021 (Predecessor) and Year Ended
December 27, 2020 (Predecessor)

Contents

Building a better
working world

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Report of Independent Auditors

The Board of Directors
Cajun Global LLC and Subsidiaries

Opinion

We have audited the consolidated financial statements of Cajun Global LLC and Subsidiaries (the Company), which comprise the consolidated balance sheets as of December 26, 2021 (Successor) and December 27, 2020 (Predecessor), and the related consolidated statements of operations, changes in member's equity and cash flows for the periods from September 15, 2021 to December 26, 2021 (Successor) and December 28, 2020 to September 14, 2021 (Predecessor), and for the year ended December 27, 2020 (Predecessor), 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 (Successor) and December 27, 2020 (Predecessor), and the results of its operations and its cash flows for the periods from September 15, 2021 to December 26, 2021 (Successor) and December 28, 2020 to September 14, 2021 (Predecessor), and for the year ended December 27, 2020 (Predecessor) 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.

Change in Accounting Principle

As discussed in Note 2 to the consolidated financial statements, as of September 15, 2021, the Company changed its method of accounting for goodwill.

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.

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

June 2, 2022

Cajun Global LLC and Subsidiaries

Consolidated Balance Sheets
(In Thousands)

	Successor	Predecessor
	December 26, 2021	**December 27, 2020**
Assets		
Current assets:		
Cash and cash equivalents	**$ 6,600**	$ 12,152
Restricted cash	**2,917**	6,949
Accounts receivable, net	**7,114**	6,091
Inventory	**701**	643
Prepaid expenses and other	**2,399**	1,654
Due from member	**2,357**	–
Total current assets	**22,088**	27,489
Property and equipment, net	**136,647**	109,462
Trademarks and other intangible assets, net	**315,512**	272,921
Goodwill, net	**37,700**	25,217
Other assets, net	**611**	4,522
Total noncurrent assets	**490,470**	412,122
Total assets	**$ 512,558**	$ 439,611
Liabilities and member's equity		
Current liabilities:		
Accounts payable	**$ 5,729**	$ 3,076
Due to member	**–**	5,332
Accrued liabilities	**6,984**	6,663
Current maturities of long-term debt	**5,926**	7,037
Total current liabilities	**18,639**	22,108
Long-term debt, net of current maturities	**324,155**	279,375
Deferred credits and other long-term liabilities	**27,600**	18,896
Total noncurrent liabilities	**351,755**	298,271
Commitments and contingencies		
Member's equity:		
Contributed capital	**139,877**	93,486
Retained earnings	**2,287**	25,746
Total member's equity	**142,164**	119,232
Total liabilities and member's equity	**$ 512,558**	$ 439,611

See accompanying notes.

Cajun Global LLC and Subsidiaries

Consolidated Statements of Operations
(In Thousands)

	Successor	Predecessor	
	Period From September 15, 2021 to December 26, 2021	Period From December 28, 2020 to September 14, 2021	Year Ended December 27, 2020
Revenues			
Sales by company-operated restaurants	**$ 36,561**	**$ 95,941**	$ 129,938
Franchise revenue	**14,754**	**36,655**	48,173
Rental and other income	**2,627**	**7,898**	10,805
Total revenues	**53,942**	**140,494**	188,916
Operating costs and expenses			
Company-operated restaurant expenses:			
Food, beverage, and packaging	**10,939**	**29,546**	40,687
Payroll and benefits	**10,535**	**25,469**	34,443
Other operating expenses	**9,852**	**24,406**	32,423
General and administrative expenses	**2,988**	**11,669**	6,935
Depreciation and amortization	**3,611**	**13,010**	18,125
Impairment, special charges, and loss on asset dispositions	**348**	**697**	1,788
Total operating costs and expenses	**38,273**	**104,797**	134,401
Operating income	**15,669**	**35,697**	54,515
Interest expense, net	**12,398**	**22,564**	30,896
Income before income taxes	**3,271**	**13,133**	23,619
Income tax expense	**984**	**1,581**	2,106
Net income	**$ 2,287**	**$ 11,552**	$ 21,513

See accompanying notes.

Cajun Global LLC and Subsidiaries

Consolidated Statements of Changes in Member's Equity
(In Thousands)

	Contributed Capital	Retained Earnings	Total Member's Equity
Predecessor			
Balance at December 29, 2019	$ 125,582	$ 4,233	$ 129,815
Net income	–	21,513	21,513
Cash dividend paid to Member	(32,096)	–	(32,096)
Balance at December 28, 2020	93,486	25,746	119,232
Net income	**–**	**11,552**	**11,552**
Cash dividend paid to Member	**(15,454)**	**–**	**(15,454)**
Balance at September 14, 2021	**$ 78,032**	**$ 37,298**	**$ 115,330**
Successor			
September 15, 2021 Merger transaction	**$ 139,877**	**$ –**	**$ 139,877**
Net income	**–**	**2,287**	**2,287**
Balance at December 26, 2021	**$ 139,877**	**$ 2,287**	**$ 142,164**

See accompanying notes.

Cajun Global LLC and Subsidiaries

Consolidated Statements of Cash Flows
(In Thousands)

	Successor	Predecessor	
	Period From September 15, 2021 to December 26, 2021	Period From December 28, 2020 to September 14, 2021	Year Ended December 27, 2020
Operating activities			
Net income	$ 2,287	$ 11,552	$ 21,513
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	4,885	13,796	19,415
(Gain) loss on asset dispositions	–	(107)	695
Write off unamortized debt financing costs	6,275	1,107	–
Non-cash increase in debt obligation	4	–	–
Changes in operating assets and liabilities:			
Accounts receivable, net	–	396	1,724
Inventory	(1,569)	92	(57)
Prepaid expenses and other	(310)	(435)	(529)
Accounts Payable and due from/to member	(4,384)	(2,580)	6,310
Accrued liabilities	1,016	113	405
Total change in net working capital	(5,247)	(2,414)	7,853
Other noncurrent assets and liabilities	1,406	486	(2,000)
Net cash provided by operating activities	9,610	24,420	47,476
Investing activities			
Capital expenditures	(1,446)	(4,694)	(2,724)
Net cash used in investing activities	(1,446)	(4,694)	(2,724)
Financing activities			
Due from/to member	–	–	1,309
Debt borrowings	225,000	–	26,200
Principal payments on long-term debt	(225,998)	(5,965)	(33,646)
Cash dividend to Member	–	(15,454)	(32,096)
Long-term debt financing costs	(6,726)	–	–
Net cash used in financing activities	(7,724)	(21,419)	(38,233)
Net increase (decrease) in cash, cash equivalents, and restricted cash	440	(1,693)	6,519
Cash, cash equivalents, and restricted cash at beginning of year	9,078	19,101	12,582
Cash, cash equivalents, and restricted cash at end of year	$ 9,518	$ 17,408	$ 19,101

See accompanying notes.

1. Formation and Business

Cajun Global LLC (Cajun Global or the Company), a single-member LLC, was organized under the laws of the state of Delaware on January 14, 2011, and is the owner and franchisor of the Church's Chicken and Texas Chicken brands. The member's liability in the Company is limited to its membership interest in the Company. Cajun Global is a direct, wholly owned subsidiary of Cajun Operating Company (Cajun Operating), a Delaware corporation incorporated on October 28, 2004, and the former owner and franchisor of the Church's Chicken and Texas Chicken brands. Cajun Operating is a direct, wholly owned subsidiary of Church's Holding Corp. (Holding or the Parent), a Delaware corporation. On September 15, 2021 (the Closing Date), pursuant to an Agreement and Plan of Merger with the Parent, REGO Restaurant Holdings III, LLC, a Delaware limited liability company (RRH3), RIII Merger Sub, Inc. (Merger Sub), a Delaware corporation, and the former ultimate parent of the Company (FFL Partners, LLC), Merger Sub merged (the Merger) with and into Holding, whereupon the separate existence of the Merger Sub ceased, and Holding was the surviving company. As a result of the Merger, RRH3 acquired one hundred percent of the issued and outstanding shares of capital stock of Holdings. RRH3 is a wholly-owned subsidiary of Super Rego LLC, a Delaware limited liability company (Super Rego). Super Rego is a wholly-owned subsidiary of High Bluff Capital Partners LLC, (HBCP), a Delaware limited liability corporation. HBCP is controlled by private equity funds affiliated with High Bluff Capital Partners.

On February 24, 2011, Cajun Operating contributed its wholly owned subsidiary, Cajun Funding Corp., which owned substantially all of its assets constituting franchise agreements, development agreements, and related agreements, and all rights to develop and expand the Church's Chicken and Texas Chicken restaurant systems, to the Company. In its capacity as the franchisor, the Company will enter into all additional development and franchise agreements for Church's Chicken and Texas Chicken restaurants. Simultaneously, Cajun Operating and CT Restaurants L.P. (CT Restaurants) contributed the assets and operations of 228 restaurants to the Company, which, in turn, contributed them to its wholly owned subsidiary Cajun Restaurants LLC (Cajun Restaurants). Simultaneously, Cajun Operating and CT Restaurants contributed 211 real estate leases or subleases and 6 properties of fee simple real estate to the Company, which, in turn, contributed them to Cajun Realty LLC (Cajun Realty).

1. Formation and Business (continued)

Nature of Operations

The Company develops, operates, and franchises quick-service restaurants (generally referred to as QSRs or units), under the trade names Church's Chicken and Texas Chicken in 27 states, the District of Columbia, Puerto Rico, and 24 foreign countries. The Company added 77 and 56 new franchisees worldwide during 2021 and 2020, respectively. At December 26, 2021, there were 1,574 Church's Chicken and Texas Chicken restaurants operating worldwide. These restaurants included 148 units operated by the Company, 13 units operated by Cajun Operating, and 737 units operated by franchisees of the Company in the United States. An additional 689 restaurants were operated by franchisees of the Company in foreign countries and United States territories.

2. Basis of Presentation

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

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions for these subsidiaries have been eliminated in consolidation. From time to time, the Company enters into related-party transactions with Cajun Operating, which include services as described below. The intercompany balances have no fixed repayment terms, do not include interest, and are settled periodically between the related parties. As of December 26, 2021, as reflected on the consolidated balance sheets, the transactions between Cajun Global and related affiliates accumulated to a receivable of $2.4 million.

The Company adopted the Private Company Accounting Alternative for the subsequent measurement of goodwill, ASU 2014-02, *Intangibles – Goodwill and Other (Topic 350): Accounting for Goodwill*, at the beginning of fiscal 2015 and started amortizing goodwill using the straight-line method over ten years in accordance with the guidance in this Private Company Accounting Alternative. As such, the Predecessor period consolidated financial statements reflect the impact of the Private Company Accounting Alternatives. However, as of September 15, 2021, the Company elected to not use the Private Company Accounting Alternatives prospectively. The Private Company Accounting Alternatives are not applied in the Successor consolidated financial statements.

2. Basis of Presentation (continued)

As a result of the change in control and the impact of Private Company Accounting Alternatives on the Predecessor and Successor periods as described above, the results are further separated in the accompanying financial statements by a heavy black line to indicate the effective date of the new basis of accounting and the fact that the Successor and Predecessor consolidated financial statements are presented on a different basis and, therefore, are not comparable.

3. Summary of Significant Accounting Policies

Comprehensive income (loss) is the sum of net income and other unrealized gains and losses recorded in the consolidated statements of changes in member's equity. Comprehensive income (loss) for the period from September 15, 2021 to December 26, 2021 (Successor), period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor), was the same as the net income for the respective years.

Use of Estimates

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

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, the first fiscal quarter contains 16 weeks and the remaining quarters contain 12 weeks. In a 53-week fiscal year, the first fiscal quarter contains 16 weeks, the fourth quarter contains 13 weeks, and the remaining quarters contain 12 weeks. Fiscal year 2021 and 2020 were 52-week years.

3. Summary of Significant Accounting Policies (continued)

Application of New Accounting Pronouncements

Pronouncements Not Yet Adopted

In February 2016, the FASB issued authoritative guidance on accounting for leases, ASC 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 nonpublic companies in fiscal years beginning after December 15, 2021, and interim periods within fiscal years after December 15, 2021. Early adoption is permitted. While the Company has not yet completed its analysis of the adoption of this guidance on its consolidated financial statements, the effect of adoption is expected to be material based upon the volume of the Company's operating leases.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses* (Topic 326): *Measurement of Credit Losses on Financial Instruments*. ASU 2016-13 sets forth a current expected credit loss impairment model for financial assets, which replaces the current incurred loss model, and in 2019 and 2020 issued amendments and updates to the new standard. This model requires a financial asset (or group of financial assets), including trade receivables, measured at amortized cost to be presented at the net amount expected to be collected with an allowance for credit losses deducted from the amortized cost basis. The allowance for credit losses should reflect management's current estimate of credit losses expected to occur over the remaining life of a financial asset. This guidance is effective for annual periods beginning after December 15, 2022 using a modified retrospective transition method. The Company is in the process of evaluating the impact of ASU 2016-13 on the Company's consolidated financial statements and related disclosures.

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 consolidated financial statements upon adoption.

3. Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

The Company considers all money market investment instruments and certificates of deposit with original maturities of three months or less to be cash equivalents. The Company maintains cash on deposit with domestic financial institutions. In certain instances, cash on deposit exceeds federally insured limits.

Restricted Cash

Certain cash accounts are required to be maintained by the 2021 Notes (described in Note 9, *Long-term debt*), its indenture, and other related agreements. These cash accounts may be used only for the purposes specified in the 2021 Securitization Agreements. The Company has presented these cash accounts as restricted cash in the current asset section on the consolidated balance sheets based upon the expected date of cash distribution.

Accounts Receivable, Net

Accounts receivable, net consist primarily of amounts due from franchisees related to royalties, rents, and various miscellaneous items. At December 26, 2021 (Successor) and December 27, 2020 (Predecessor), accounts receivable of $7.1 million and $6.1 million, respectively, were net of allowances for doubtful accounts of $0.7 million and $0.6 million, respectively. Allowance for doubtful accounts is recorded based on management's judgment regarding the Company's ability to collect, as well as the age of the accounts receivable. The Company does not require collateral from franchisees. Accounts receivable is charged off against the allowance for doubtful accounts when it is probable the accounts receivable will not be collected.

Inventory

Inventory consists principally of food, beverage items, and supplies, which are carried at the lower of cost (determined on a first-in, first-out basis) or net realizable value.

Advertising Funds

The Company's franchise agreements for all restaurants owned by the Parent, the Company, domestic franchisees, and certain international franchisees, including all franchisees in Puerto Rico, require participation and contributions of a percentage of their gross sales to an advertising fund administered by Church's Chicken Advertising Fund (the Fund).

3. Summary of Significant Accounting Policies (continued)

The Company's contributions to the Fund are reflected on the accompanying consolidated statements of operations as a component of other operating expenses. Such contributions and the Company's other advertising costs are expensed as incurred. Advertising costs, including contributions to the Fund, were approximately $1.7 million, $5.2 million and $6.8 million for the period from September 15, 2021 to December 26, 2021 (Successor), period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor), respectively.

Property and Equipment, Net

Property and equipment, net is stated at cost less accumulated depreciation. Depreciation and amortization is provided using the straight-line method over the estimated useful lives of the depreciable assets: 15 to 25 years for buildings; 2 to 15 years for equipment; and in the case of leasehold improvements, the lesser of the useful life of the asset or the lease term (generally 3 to 20 years).

The Company evaluates property and equipment for impairment when circumstances arise indicating that a particular asset may be impaired. For property and equipment at Company-operated restaurants, the Company performs its annual impairment evaluation on a site-by-site basis. A two-year history of operating losses is used as the primary indicator of potential impairment.

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 any impairment charges for the periods from September 15, 2021 to December 26, 2021 (Successor) and from December 28, 2020 to September 14, 2021 (Predecessor). The Company recorded an impairment charge of $0.1 million for the year ended December 27, 2020 (Predecessor). Impairment charge is presented within impairment, special charges, and loss on asset dispositions on the accompanying consolidated statement of operations.

3. Summary of Significant Accounting Policies (continued)

Trademarks and Other Intangible Assets, Net

Trademarks and other intangible assets, net relate primarily to the "Church's Chicken" and "Texas Chicken" trade name and other intangible assets related to the Company's franchise and development agreements. The Company also maintains intangible assets associated with acquired lease agreements that were determined to be above or below prevailing market rates as of the date they were acquired. In such circumstances, the Company records a deferred lease asset or liability based on the present value of the differential between the stated rent terms and the estimated market terms.

Trademarks are considered to have an indefinite life. The Company evaluates such trademarks for impairment on an annual basis at the beginning of its fourth quarter or more frequently if events or circumstances indicate the trademarks might be impaired. The Company has the option to first perform a qualitative assessment for testing the trademarks 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 trademarks 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 trademarks is less than their carrying value, then the Company performs a quantitative assessment. The Company uses a relief from royalty method for estimating the fair value of the trademarks when performing a quantitative assessment. In 2021 and 2020, the Company elected to perform qualitative assessments as of the beginning of its fourth quarter. Based on the qualitative assessments performed in fiscal 2021 and 2020, the Company determined that its trademarks were not impaired.

The intangible assets related to franchise and development agreements are considered to be finite-lived and are amortized over their expected useful lives, which approximate the legal term of the respective agreements excluding optional renewal periods. Deferred lease assets and liabilities are amortized to rent income (where the Company is the lessor) or rent expense (where the Company is the lessee) on a straight-line basis over the estimated remaining term of the lease, excluding optional renewal periods.

3. Summary of Significant Accounting Policies (continued)

When facts and circumstances indicate that the carrying amount of finite-lived intangible assets may not be recoverable, management assesses the recoverability of the carrying amount by comparing the expected future cash flows (undiscounted) with the carrying amount of the related assets or asset group. Accordingly, an impairment loss is recognized if the carrying amount of an intangible asset is not recoverable and its carrying amount exceeds its fair value. The Company has determined that there are no impairment losses associated with its finite-lived intangible assets for the period from September 15, 2021 to December 26, 2021 (Successor), period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor).

Goodwill, Net

The Company adopted the Private Company Council accounting alternative for the subsequent measurement of goodwill, Accounting Standards Update (ASU) No. 2014-02 *Intangibles – Goodwill and Other (Topic 350) Accounting for Goodwill* at the beginning of fiscal 2015 and started amortizing goodwill using the straight-line method over 10 years, in accordance with the guidance in this private company accounting alternative and continued this policy through the predecessor period. In accordance with the guidance in ASU No. 2014-02, goodwill is tested for impairment when a triggering event occurs that indicates the fair value of an entity may be below its carrying amount. In the opinion of management, no triggering events occurred during the period from December 28, 2020 to September 14, 2021 (Predecessor) and for the year ended December 27, 2020 (Predecessor).

As described above, as of September 15, 2021, the Company elected to not use the provisions of ASU No. 2014-02 prospectively. As such, effective September 15, 2021, the Company will evaluate goodwill for impairment on an annual basis as of beginning of its fourth quarter at the reporting unit level or more frequently if events or circumstances indicate that assets might be impaired. The Company has only one reporting unit. 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 the 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.

3. Summary of Significant Accounting Policies (continued)

No events occurred subsequent to September 15, 2021, that would necessitate an interim goodwill impairment assessment during the period from September 15, 2021 to December 26, 2021 (Successor). The Company performed a qualitative assessment as of beginning of fourth quarter of 2021 (Successor) and concluded that it is not more likely than not that the fair value of its reporting unit is less than is carrying amount.

Deferred Financing Costs

Deferred financing costs represent loan origination fees and other costs paid to financing institutions associated with a credit facility. Deferred financing costs are being amortized over the term of the related credit facility using the effective interest method. Deferred financing costs for all credit facilities, with the exception of variable note credit facilities, are presented as a direct deduction from the carrying amount of the associated debt liability on the accompanying consolidated balance sheets. Deferred financing costs related to the variable note credit facilities are presented within other assets, net on the accompanying consolidated balance sheets. The amortization of the deferred financing costs is presented within interest expense, net on the accompanying consolidated statements of operations.

Depreciation and Amortization

Depreciation of property and equipment and amortization of franchise and development agreements are presented within depreciation and amortization on the accompanying consolidated statements of operations. On the accompanying consolidated statements of cash flows, depreciation and amortization also include amortization of deferred lease assets, deferred lease liabilities, and deferred financing costs. Amortization of deferred lease assets, deferred lease liabilities, and deferred financing costs are presented within other operating expenses, rental and other income, and interest expense, net, respectively, on the accompanying consolidated statements of operations.

Revenue Recognition

Sales by Company-Operated Restaurants

Revenue from the sale of food and beverage products at Company-operated restaurants is recognized when items are sold. Sales taxes collected from customers and remitted to governmental authorities are presented on a net basis on the accompanying consolidated statements of operations.

3. Summary of Significant Accounting Policies (continued)

Franchise Revenues

Revenues from franchise operations include royalty fees based on a percentage of restaurant sales, 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, and renewal fees associated with the renewal of the franchise contract.

The Company recognizes royalty revenues as earned. 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 recorded as deferred revenue when received and recognized as revenue over the term of each respective franchise agreement.

General and Administrative Expenses

Cajun Operating provides general and administrative services to the Company, including franchising, marketing, real estate, intellectual property, legal, accounting, facilities, development, purchasing, menu development, and restaurant operations. Cajun Operating charges the Company a weekly service fee (Management Fees) for these activities based upon a formula as defined in the servicing agreement related to the 2017 and 2021 Notes (described in Note 9, *Long-term debt*), which reflects the costs of doing business and is specific to the Company. The total amount of Management Fees for the period from September 15, 2021 to December 26, 2021 (Successor), period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor) was $2.8 million, $11.4 million and $6.4 million, respectively, and is presented within general and administrative expenses on the accompanying consolidated statements of operations. The Company exercised its discretion not to pay its weekly Management fee beginning in April 2020 due to uncertainties related to COVID-19. The Management Fees is not mandatory, per the 2017 and 2021 Notes, their indenture and other related agreements. Rather, the Company opted to pay a dividend to Cajun Operating on a weekly basis in lieu of Management Fees in 2020. The Company resumed Management Fee payments in April 2021. The Company cannot estimate with any reasonable certainty what the charges for similar services would have been on a stand-alone basis.

3. Summary of Significant Accounting Policies (continued)

Leases

The Company is both a lessee and lessor of units under long-term operating 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 non-cancelable 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. Contingent rentals are generally based on sales levels in excess of stipulated amounts, and thus are not considered minimum lease payments and are included in rent expense as they accrue. Where the Company is a lessor, rental income is recorded on a straight-line basis over the initial lease term and contingent rentals are included in rental income as they accrue.

Insurance

The Company carries property, general liability, business interruption, crime, director and officer liability, employment practices liability, fiduciary liability, media liability, environmental, 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 $250,000 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 consolidated balance sheets.

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.

3. Summary of Significant Accounting Policies (continued)

Income Taxes

The Company is a single-member limited liability company and consequently is not subject to United States federal or state income taxes. Any taxable income or losses and deductions are the responsibility of the Parent, the Company's sole member. However, many of the Company's franchisees are based in countries that have tax treaties with the United States. Under these tax treaties, the Company's franchisees deduct withholding taxes from the amounts payable to the Company and remit such withholding taxes to their local taxing authorities. These withholding taxes are reflected as income tax expense on the accompanying consolidated statements of operations.

Foreign Currency Transactions

Substantially all foreign-sourced revenues (principally royalties from international franchisees) are recorded in U.S. dollars. The aggregate effects of any exchange gains or losses are presented within general and administrative expenses on the accompanying consolidated statements of operations. For the period from September 15, 2021 to December 26, 2021 (Successor), period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor), net foreign currency losses were approximately $0.1 million, $0.1 million and $0.1 million respectively.

4. Merger

In accordance with the guidance in ASC 805, *Business Combinations,* RRH3 is the accounting acquirer of Church's Holding Corporation as a result of the Merger. The Company as the fully owned subsidiary of Church's Holding Corp., elected the option to reflect the accounting acquirer's new accounting basis at fair value in its separate consolidated financial statements (generally referred to as "pushdown accounting"). The accompanying December 26, 2021 (Successor) consolidated balance sheet reflects the assets and liabilities acquired on a fair value basis as of the Closing Date of the Merger, based primarily upon an independent valuation prepared by an outside business valuation firm. The fair value of the consideration transferred by RRH3 to prior owners of Church's Holding Corp. as of the Closing Date totaled $316.9 million. The primary purpose of the Merger was, including, but not limited to, access to growth capital and liquidity for prior owners of Church's Holding Corp.

4. Merger (continued)

The fair value assigned to goodwill is primarily attributable to synergies expected to arise after the Merger (e.g., enhanced reach of the combined organization and other synergies) and the assembled work force. The excess consideration over the fair value of net identifiable assets acquired resulted in goodwill of $37.7 million. The Company is in the process of finalizing the determination of certain account balances, thus the acquisition accounting is preliminary and subject to revision.

The Merger consideration was paid from equity contribution of $98.7 million in cash received from RRH3 and $218.7 million net proceeds, after deducting the related financing fees, borrowed under the bridge loan credit facility (Bridge Loan Facility) as described in Note 10, *Long-Term Debt*. Total debt issuance costs associated with the Bridge Loan Facility entered into in conjunction with the Merger totaled $6.3 million, which was paid as of the Closing Date and capitalized as deferred financing costs.

4. Merger (continued)

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the Closing Date (in thousands):

	Successor September 15, 2021
Fair value of assets and liabilities purchased:	
Cash and cash equivalents	$ 9,078
Accounts receivable	5,695
Inventory	551
Prepaid expenses and other	4,016
Property and equipment, net	137,782
Accounts payable	(5,804)
Accrued liabilities	(33,966)
Financing lease obligations	(112,607)
Due to Member	(1,952)
	(38,441)
Finite-lived intangible assets:	
Franchise agreements	43,100
Deferred lease assets	24,010
Development agreements	13,100
	80,210
Infinite-lived intangible assets:	
Trademarks	237,900
Goodwill	37,700
Net assets acquired	$ 358,603

As the Company is not subject to United States federal or state income taxes as described above, deferred tax liabilities along with certain other assets recognized at the Church's Holding Corp. level were not pushed down to the consolidated financial statements of the Company in conjunction with the push down accounting. This resulted in the Company recording net assets acquired of $358.6 million compared to the purchase consideration of $316.9 million transferred by RRH3 to the prior owners of Church's Holding Corp.

4. Merger (continued)

The impact of the Merger was deemed to be on the line for the statement of cash flows for the period from September 15, 2021 to December 26, 2021 (Successor) and period from December 28, 2020 to September 14, 2021 (Predecessor), therefore not presented within the consolidated statements of cash flows for these periods.

5. Property and Equipment, Net

The components of property and equipment, net are as follows (in thousands):

	Successor	Predecessor
	December 26, 2021	**December 27, 2020**
Land	**$ 79,043**	$ 74,228
Buildings and improvements	**38,684**	78,275
Equipment	**19,808**	38,257
Construction-in-progress	**1,508**	225
	139,043	190,985
Less accumulated depreciation	**(2,396)**	(81,523)
	$ 136,647	$ 109,462

Depreciation expense was approximately $2.4 million, $6.7 million and $9.3 million for the period from September 15, 2021 to December 26, 2021 (Successor), period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor), respectively.

6. Trademarks and Other Intangible Assets, Net

The components of trademarks and other intangible assets, net are as follows (in thousands):

	Successor	Predecessor
	December 26, 2021	**December 27, 2020**
Trademarks	**$ 237,911**	$ **242,862**
Amortizable intangible assets:		
Franchise agreements	**43,100**	47,557
Deferred lease assets	**24,010**	18,739
Development agreements	**13,100**	8,200
	318,121	317,358
Less accumulated amortization:		
Franchise agreements	**(920)**	(24,915)
Deferred lease assets	**(1,402)**	(15,154)
Development agreements	**(287)**	(4,368)
Total accumulated amortization	**(2,609)**	(44,437)
	$ 315,512	$ 272,921

Amortization expense associated with the finite-lived intangible assets was $2.6 million, $2.3 million and $3.3 million for the period from September 15, 2021 to December 26, 2021 (Successor), period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor), respectively. The weighted average remaining amortization period is approximately 11 years for franchise agreements and 10 years for development agreements. Deferred lease assets are amortized over the remaining term of the underlying lease agreements which approximates 11 years.

Estimated amortization expense for each of the five succeeding years is as follows (in thousands):

2022	$ 9,696
2023	9,509
2024	9,215
2025	7,344
2026	7,341

7. Goodwill, Net

The following table presents changes in the carrying amount of goodwill (in thousands):

	Successor	Predecessor	Predecessor
	December 26, 2021	**September 14, 2021**	**December 27, 2020**
Beginning balance	**$ –**	**$ 90,646**	$ 90,646
Accumulated amortization expense	**–**	**(40,059)**	(33,754)
Accumulated impairment charges	**–**	**(25,027)**	(25,027)
Write-off due to disposed businesses	**–**	**(343)**	(343)
		25,217	**31,522**
Current year activity			
Recognize Successor Goodwill	**37,000**	**–**	–
Amortization expense	**–**	**(4,516)**	(6,306)
Write-off Predecessor goodwill	**–**	**(20,701)**	–
Ending balance	**37,700**	**90,646**	90,646
Accumulated amortization expense	**–**	**(44,575)**	(40,059)
Accumulated impairment charges	**–**	**(25,027)**	(25,027)
Write-off due to disposed businesses	**–**	**(343)**	(343)
Write-off Predecessor goodwill	**–**	**(20,701)**	–
Ending balance goodwill (net)	**$ 37,700**	**$ –**	$ 25,217

8. Other Assets, Net

The components of other assets, net are as follows (in thousands):

	Successor	Predecessor
	December 26, 2021	**December 27, 2020**
Deferred rent	**$ 283**	$ 2,600
Notes receivable	**–**	1,599
Other	**328**	323
	$ 611	$ 4,522

9. Accrued Liabilities

The components of accrued liabilities are as follows (in thousands):

	Successor	Predecessor
	December 26, 2021	**December 27, 2020**
Interest	**$ 1,285**	$ 1,123
Payroll and benefits	**2,037**	2,642
Property taxes	**1,158**	779
Deferred Revenue	**1,200**	–
Utilities	**399**	427
Other	**905**	1,692
	$ 6,984	$ 6,663

10. Long-Term Debt

The components of long-term debt are as follows (in thousands):

	Successor	Predecessor
	December 26, 2021	**December 27, 2020**
Series 2017-1 Class A-2 senior notes with anticipated repayment date of August 20, 2022, at a fixed rate of 6.5%	**$ –**	$ 165,575
Series 2021-1 Class A-2 senior notes with anticipated repayment date of November 20, 2026, at a fixed rate of 3.9%	**225,000**	–
Series 2017-1 Class A-1 senior secured variable funding notes with anticipated repayment date of February 20, 2022	**–**	–
Series 2021-1 Class A-1 senior secured variable funding notes with anticipated repayment date of November 20, 2026	**–**	–
2004 financing transaction due December 28, 2024	**47,698**	34,780
2004 financing transaction due December 28, 2029	**55,162**	77,293
2008 financing transaction due January 28, 2028	**1,846**	1,704
Other financing transactions	**6,907**	9,038
Total debt obligations before deferred debt costs	**336,613**	288,390
Less: deferred financing costs	**(6,532)**	(1,978)
Total debt obligations	**$ 330,081**	$ 286,412

On June 26, 2017, Cajun Global LLC, Cajun Funding Corp., Cajun Restaurants LLC, and Cajun Realty LLC (the Co-Issuers) issued $185.0 million of Series 2017-1 Class A-2 Senior Secured Fixed Rate Notes (2017 Fixed Rate Notes) in a private transaction that incurred interest at 6.5% per annum. The 2017 Fixed Rate Notes were issued at a discount to yield an effective interest at 6.75% per annum.

10. Long-Term Debt (continued)

In connection with the issuance of the 2017 Fixed Rate Notes, the Co-Issuers also entered into a securitized financing facility of Series 2017-1 Class A-1 Senior Secured Variable Funding Notes (2017 Variable Funding Notes). The 2017 Variable Funding Notes facility allows for the issuance of up to $25.0 million of 2017 Variable Funding Notes and certain other credit instruments, including letters of credit. The 2017 Variable Funding Notes have an anticipated repayment date of February 2022. The 2017 Fixed Rate Notes and the 2017 Variable Funding Notes are secured by substantially all of the assets of the Co-Issuers. Outstanding letter-of-credit commitments incur interest at 3.75% per annum, and unused availability under the 2017 Variable Funding Notes facility is subject to a commitment fee equal to 0.50% per annum. Outstanding cash borrowings under the 2017 Variable Funding Notes facility incur interest based on a margin of 2.75% to 3.75% above certain benchmark rates (the one-month London Interbank Offered Rate or commercial paper) at the election of the Company. Interest on the 2017 Variable Funding Notes is payable quarterly.

As of the Closing Date, the outstanding principal balance under the 2017 Fixed Rate Notes and 2017 Variable Funding Notes was $161.2 million and $0, respectively. In conjunction with the Merger, Merger Sub obtained a credit facility (Bridge Loan Credit Facility) in the form of (a) a Term Loan Commitment in an original aggregate principal amount equal to $225 million and (b) a Revolving Credit Commitment with an available amount of up to $25 million. Immediately following the consummation of the Merger, the Company assumed all of the obligations of Merger Sub under the Bridge Loan Credit Facility. As of the Closing Date, $218.7 million borrowed under the Term Loan Commitment, net of $6.3 million issuance cost, were used to pay-off the $161.2 million outstanding under the 2017 Fixed Rate Notes.

On November 5, 2021, the Co-Issuers issued $225.0 million of Series 2021-1 Class A-2 Senior Secured Fixed Rate Notes (2021 Fixed Rate Notes) in a private transaction that incurred interest at 3.9% per annum, and repaid the outstanding balance of the Bridge Loan Credit Facility obtained during the acquisition made by Super Rego as well as the Variable Funding Notes. The 2021 Fixed Rate Notes have an anticipated life of five years with an anticipated repayment date in November 2026, based on the terms of the debt agreement. In connection with the issuance of the 2021 Fixed Rate Notes, the Co-Issuers also entered into a securitized financing facility of Series 2021-1 Class A-1 Senior Secured Variable Funding Notes (2021 Variable Funding Notes). The 2021 Variable Funding Notes facility allows for the issuance of up to $25.0 million of 2021 Variable Funding Notes and certain other credit instruments, including letters of credit.

10. Long-Term Debt (continued)

At December 26, 2021, $0 was outstanding under the 2021 Variable Funding Notes, and accrued interest totaled $49,000. Interest paid under the Variable Funding Notes totaled $0.2 million and $0.2 million for the period from September 15, 2021 to December 26, 2021 (Successor), period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor), respectively. At December 26, 2021, $3.6 million of the 2021 Variable Funding Notes had been utilized to secure outstanding letters of credit, and $21.4 million remained unused and available.

At December 26, 2021, the balance outstanding under the 2021 Fixed Rate Notes, including accrued interest, totaled $226.2 million and carried a weighted average interest rate of 6.0%, including the effect of the original issue discount and the loan origination cost amortization described below. Interest accrued under the 2021 Fixed Rate Notes totaled $1.3 million for the period from September 15, 2021 to December 26, 2021 (Successor). Interest paid under the 2017 Fixed Rate Notes totaled $7.7 million and $11.0 million for the period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor), respectively.

While the 2021 Fixed Rate Notes and the 2021 Variable Funding Notes (collectively, the 2021 Notes) are structured to provide for five-year anticipated lives, they have a legal final maturity date of November 2050. The Company intends to repay or refinance the 2021 Notes on or before the end of their respective anticipated lives. If 2021 Notes are not paid in full by the end of their anticipated lives, the 2021 Notes are subject to an upward adjustment in the interest rate of at least 5% per annum. In addition, principal payments will accelerate by applying all of the royalties, lease revenues, and other fees securing the debt, after deducting certain expenses, until the debt is paid in full. Any unfunded amount under the 2021 Variable Funding Notes will become unavailable by the end of its anticipated life.

Neither Holdings, the ultimate parent of the Co-Issuers, nor any other subsidiary of Holdings guarantees or in any way is liable for the obligations of the Co-Issuers under the 2021 Notes. The Company has, however, agreed to cause the performance of certain obligations of its subsidiaries, principally related to managing the assets included as collateral for the 2021 Notes.

The 2021 Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) required actions to better secure collateral upon the occurrence of certain performance-related events; (ii) application of certain disposition proceeds as note prepayments after a set time is allowed for reinvestment; (iii) maintenance of specified reserve accounts;

10. Long-Term Debt (continued)

(iv) maintenance of certain debt service coverage ratios; (v) optional and mandatory prepayments upon a change in control; (vi) indemnification payments for defective or ineffective collateral; and (vii) covenants relating to record-keeping, access to information, and similar matters. If certain covenants or restrictions are not met, the 2021 Notes are subject to customary accelerated repayment events and events of default. Although management does not anticipate an event of default or any other event of noncompliance with the provisions of the debt, if such event were to occur, the unpaid amounts outstanding could become immediately due and payable.

Debt issuance costs associated with the Company's various financing transactions are deferred and amortized over the anticipated life of the respective obligations. Such costs associated with the 2021 Notes totaled approximately $6.7 million and were allocated between the 2021 Fixed Rate Notes and 2021 Variable Funding Notes. The net carrying amount of deferred financing costs at December 26, 2021 (Successor) and December 27, 2020 (Predecessor), was $6.5 million and $2.0 million, respectively. Amortization of deferred financing cost for the period from September 15, 2021 to December 26, 2021 (Successor) totaled $6.4 million, which included the amortization of deferred financing costs related to the 2021 Notes, and write-off of the deferred financing cost of $6.3 million related to the Bridge Loan Credit Facility upon its pay-off. Amortization of deferred financing cost for the period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor) totaled approximately $2.0 million and $2.0 million, respectively, related to the 2017 Fixed Rate Notes and 2017 Variable Funding Notes.

The Company also assumed certain debt obligations of Cajun Operating in connection with the Merger, including a 2004 financing transaction whereby 321 Church's locations were sold to a third party and simultaneously leased back from the purchaser (the 2004 Financing Transaction, due 2024) of which 174 were subleased to franchisees. The agreement originally provided for a 20-year noncancelable term with two optional renewal periods of ten years each. In connection with issuing the 2011 Notes, the lease for 191 of the Church's locations was amended to extend the initial lease term from 20 to 25 years (the 2004 Financing Transaction, due 2029). Total payments under the agreement were $18.7 million and $18.6 million for the years ended December 26, 2021 (Successor) and December 27, 2020 (Predecessor), respectively. Required payments for 2022 amount to $18.7 million and escalate by 1.5% each year during the base term, as well as during any exercised option periods. In connection with the Merger, the 2004 Financing Transaction was recorded at its estimated fair value of $103.6 million.

10. Long-Term Debt (continued)

The Company also assumed the lease obligation for six locations from a 2008 transaction whereby Cajun Operating sold eight Church's locations and simultaneously leased them back from the purchaser (the 2008 Financing Transaction). The agreement provides for a 20-year noncancelable term with two optional renewal periods of ten years each. Total payments under the agreement were \$0.3 million for the years ended December 26, 2021 (Successor) and December 27, 2020 (Predecessor). Required payments for 2022 amount to \$0.3 million and escalate by 1.5% each year during the 20-year base term as well as during any exercised option periods.

During 2010, the Company entered into transactions whereby the Company sold six Church's locations and simultaneously leased them back from the purchaser (the 2010 Financing Transactions) included as part of other financing transactions in the foregoing table. The agreements each provide for a 15-year noncancelable term with four optional renewal periods of five years each. Total payments under the agreement were \$0.4 million for the years ended December 26, 2021 (Successor) and December 27, 2020 (Predecessor). Required payments for 2022 amount to \$0.4 million and escalate by 1.5% each year during the 15-year base term, as well as during any exercised option periods.

Due to Cajun Operating's continuing involvement with these properties, the 2004 Financing Transaction, the 2008 Financing Transaction, and the 2010 Financing Transactions did not qualify for sale-leaseback accounting but rather are financing transactions. Accordingly, the sales price of the properties was recorded as financing obligations within long-term debt on the accompanying consolidated balance sheets. In connection with the Merger, the obligations for the 2004 Financing Transaction, the 2008 Financing Transaction, and the 2010 Financing Transaction were adjusted to their estimated fair values. The resulting obligations are being amortized over the remaining noncancelable terms of the underlying agreements, with a portion of the payments being allocated to interest expense and a portion to the outstanding debt balance, based on interest rates in a range between 10.85% and 13.85%. The assets subject to the 2004 Financing Transaction and the 2008 Financing Transaction were also adjusted to their estimated fair value at the time of the Merger and are recorded as a component of property and equipment, net on the accompanying consolidated balance sheets. The assets are depreciated over their estimated useful lives on a basis consistent with other similar depreciable assets owned by the Company.

10. Long-Term Debt (continued)

From time to time, the Company has entered into "build-to-suit" leasing arrangements for the construction of new Church's restaurants. During the construction period for these locations, the Company is considered the owner of the project for financial reporting purposes as it maintains substantially all of the construction period risk. As the Company is considered the owner of the asset during the construction period, upon completion of construction and initiation of the lease term, a sale-leaseback of the properties effectively occurs. Due to the Company's continuing involvement with the properties, however, the transactions do not qualify for sale-leaseback accounting.

The obligations related to the building portion of the build-to-suit leasing arrangements are recorded as a financing obligation within long-term debt on the accompanying consolidated balance sheets. Obligations and related assets related to the build-to-suit leasing arrangements at the date of Merger were adjusted based on their estimated fair values at the date of the Merger. Due to fixed-price lease renewals and other continuing involvement with the properties, those transactions also do not qualify for sale-leaseback accounting. These obligations are being amortized over the 15- to 20-year noncancelable terms of the underlying agreements with a portion of the payments being allocated to interest expense and a portion to the outstanding debt balance based on implied effective interest rate. The assets subject to the transactions were recorded as a component of property and equipment, net. The assets are depreciated over their estimated useful lives on a basis consistent with other similar depreciable assets owned by the Company. As of December 26, 2021, the aggregate annual maturities of long-term debt for the next five years were as follows (in thousands):

2022	$	7,295
2023		7,728
2024		47,037
2025		6,539
2026		214,312

The terms of the 2021 Notes and the 2004 and 2008 Financing Transactions, collectively, include various provisions which, among other things, require the Company to: (i) maintain defined net worth and coverage ratios, (ii) maintain defined leverage ratios, (iii) limit the incurrence of certain liens or encumbrances in excess of defined amounts, and (iv) limit capital expenditures and other payments. At December 26, 2021, the Company was in compliance with all provisions of the various agreements, as amended.

11. Deferred Credits and Other Long-Term Liabilities

The components of deferred credits and other long-term liabilities are as follows (in thousands):

	Successor	Predecessor
	December 26, 2021	**December 27, 2020**
Deferred lease liabilities, net of accumulated amortization	**$ 12,508**	$ 4,448
Deferred franchise revenue	**13,927**	14,059
Other	**1,165**	389
	$ 27,600	$ 18,896

12. Fair Value of Financial Instruments

The Company categorizes its assets and liabilities recorded at fair value based upon the following fair value hierarchy in accordance with ASC Topic 820, *Fair Value Measurement:*

- Level 1 – Valuations use quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date. An active market is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

- Level 2 – Valuations use inputs other than actively quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include: (a) quoted prices for similar assets or liabilities in active markets, (b) quoted prices for identical or similar assets or liabilities in markets that are not active, (c) inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves observable at commonly quoted intervals, and (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

- Level 3 – Valuations use unobservable inputs for the asset or liability. Unobservable inputs are used to the extent observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

12. Fair Value of Financial Instruments (continued)

The fair value of financial instruments is the amount at which the instrument could be exchanged in a current transaction between willing parties. The fair values of cash equivalents; receivables, net; accounts payable; and short-term debt approximate their carrying amounts due to their short duration.

At December 26, 2021, the fair value of the Company's 2021 Fixed Rate Notes and the fair value of the Company's financing lease liabilities approximate their carrying values.

13. Employee Benefit Plan

The Parent maintains a qualified retirement plan (the Plan) under Section 401(k) of the Internal Revenue Code of 1986, as amended, for the benefit of employees meeting certain eligibility requirements as outlined in the plan document. All employees are subject to the same contribution and vesting schedules. The Company may make both voluntary and matching contributions to the Plan. No voluntary or matching contributions were made by the Company for the period from September 15, 2021 to December 26, 2021 (Successor), period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor).

14. Impairment, Special Charges, and Loss on Asset Dispositions

Impairment, special charges, and loss on asset dispositions of $0.3 million, $0.7 million, and $1.8 million were recorded in the period ended December 26, 2021 (Successor), period ended September 14, 2021 (Predecessor), and financial year ended December 27, 2020 (Predecessor), respectively. Impairment, special charges, and loss on asset dispositions for the period from September 15, 2021 to December 26, 2021 (Successor), the period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor) included loss on asset dispositions, including the sale of certain surplus properties owned by the Company, settlement of lease obligations related to closed Company-operated restaurants, and other normal retirement and disposition of restaurant equipment.

15. Commitments and Contingencies

Leases

The Company leases property and equipment associated with (i) Company-operated restaurants, (ii) certain former Company-operated restaurants that are now operated by franchisees and the property subleased to the franchisee, (iii) certain former Company-operated restaurants that are now subleased to third parties, and (iv) corporate facility. At December 26, 2021, future minimum payments under non-cancelable operating leases were as follows (in thousands):

2022	$	3,290
2023		2,921
2024		2,453
2025		2,156
2026		1,467
Thereafter		3,325
Total future minimum lease payments	$	15,612

Rental expense was approximately $1.2 million, $2.6 million and $3.8 million for the period from September 15, 2021 to December 26, 2021 (Successor), period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor), respectively.

The Company subleases certain restaurant properties to franchisees. Rental income, including contingent rentals, from these leases and subleases was approximately $2.5 million, $7.3 million and $10.5 million period from September 15, 2021 to December 26, 2021 (Successor), period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor), respectively.

At December 26, 2021, future minimum rental income, excluding contingent rentals, associated with these leases and subleases, for each of the next five years is approximately $7.9 million, $7.8 million, $7.8 million, $3.3 million, and $3.2 million, respectively.

15. Commitments and Contingencies (continued)

Supply Contracts

The principal raw material for the Church's Chicken system is fresh chicken, representing approximately 40% to 50% of food, beverage, and packaging costs. Company-operated and franchised restaurants purchase their chicken from suppliers that serve the Company's restaurants and its franchisees from various plant locations. The cost of fresh chicken can be significantly affected by a number of factors, including increases in the cost of grain, disease, declining market supply of QSR-sized chickens, and other factors that affect availability.

The Parent maintains an internal purchasing department to negotiate and manage supply agreements for Church's Company-operated and franchised restaurants. The Parent charges a fee to all domestic locations to support this function. In order to ensure favorable pricing for fresh chicken purchases and to maintain an adequate supply of fresh chicken for Company-operated restaurants and franchisees, the Parent has entered into purchase contracts with chicken suppliers on behalf of Cajun Global and its franchisees. The Parent enters into fixed-price contracts as well as "cost-plus" contracts that utilize prices based upon the cost of feed grains plus certain agreed-upon non-feed and processing costs. These contracts include volume purchase commitments that under certain circumstances are adjustable, typically by up to 10%.

The Parent has also entered into long-term beverage supply agreements on behalf of the Company with certain beverage vendors. These contracts are customary to the QSR industry. Pursuant to the terms of these arrangements, marketing rebates are provided from the beverage vendors based upon the dollar volume of the Company's business unit purchases, which will vary according to its demand for beverage syrup and fluctuations in the market rates for beverage syrup. Vendor allowances received in connection with the purchase of a vendor's products are recognized as a reduction of the related food and beverage costs as earned. Advance payments are made by the vendors based on estimates of volume to be purchased from the vendors and the terms of the agreement. As purchases are made from the vendors, a pro rata portion of allowances earned is recognized as a reduction of food and beverage costs for that period.

15. Commitments and Contingencies (continued)

Litigation

Cajun Global is a defendant in various legal proceedings arising in the ordinary course of business, including employment-related claims; claims from guests or employees alleging illness, injury, or other food quality, health, or operational concerns; and claims related to franchise matters. The Company has established adequate liabilities, based on management's best estimate, to provide for the defense and settlement of such matters, and it believes their ultimate resolution will not have a material adverse effect on its consolidated financial position or its consolidated results of operations.

Environmental Matters

Cajun Global is subject to various federal, state, and local laws regulating the discharge of pollutants into the environment. The Company believes that it conducts its operations in substantial compliance with applicable environmental laws and regulations, as well as other applicable laws and regulations governing its operations. Certain of the Company's current and formerly owned and/or leased properties are known or suspected to have been used by prior owners or operators as retail gasoline stations, and some of these properties may have been used for other environmentally sensitive purposes. Many of these properties previously contained underground storage tanks (USTs), and some of these properties may currently contain abandoned USTs. It is possible that petroleum products and other contaminants may have been released at these properties into the soil or groundwater. Under applicable federal and state environmental laws, Church's may be jointly and severally liable for the costs of investigation and remediation of any such contamination, as well as any other environmental conditions at its properties that are unrelated to USTs. The Company has obtained insurance coverage that it believes is adequate to cover any potential environmental remediation liabilities. The Company is currently not subject to any administrative or court order requiring remediation at any of its properties.

Foreign Operations

Cajun Global's international operations are limited to the franchising of its brand. Such operations represented approximately 38.81%, 38.1% and 36.1% of total franchise revenue and 10.0%, 10.0% and 9.1% of total revenue for the period from September 15, 2021 to December 26, 2021 (Successor), period from December 28, 2020 to September 14, 2021 (Predecessor) and year ended December 27, 2020 (Predecessor), respectively.

15. Commitments and Contingencies (continued)

Geographic Concentrations

Of Cajun Global's domestic Company-operated and franchised restaurants, the majority are located in the southern and southwestern United States. Church's international franchisees operate primarily in Puerto Rico, Mexico, United Arab Emirates, Indonesia, Canada, and Singapore.

Related Parties

Parent charged the Company Management Fees as described in Note 3, *Summary of Significant Accounting Policies Note.*

16. Subsequent Events

The Company evaluated subsequent events through June 2, 2022, the date the accompanying consolidated financial statements were available to be issued, and has determined no material subsequent events occurred after the balance sheet date but prior to the date the consolidated financial statements were available to be issued.

Consolidated Financial Statements

Cajun Global LLC and Subsidiaries
Years Ended December 27, 2020 and December 29, 2019
With Report of Independent Auditors

Ernst & Young LLP

Building a better working world

Cajun Global LLC and Subsidiaries

Consolidated Financial Statements

Years Ended December 27, 2020 and December 29, 2019

Contents

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Report of Independent Auditors

The Board of Directors
Cajun Global LLC and Subsidiaries

We have audited the accompanying consolidated financial statements of Cajun Global LLC and Subsidiaries, which comprise the consolidated balance sheets as of December 27, 2020 and December 29, 2019, and the related consolidated statements of operations, changes in member's equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes 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.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Cajun Global LLC and Subsidiaries at December 27, 2020 and December 29, 2019, and the consolidated results of their operations and their cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Ernst & Young LLP

April 16, 2021

Cajun Global LLC and Subsidiaries

Consolidated Balance Sheets

(In Thousands)

	December 27, 2020	December 29, 2019
Assets		
Current assets:		
Cash and cash equivalents	**$ 12,152**	$ 5,497
Restricted cash	**6,949**	7,085
Accounts receivable, net	**6,091**	7,815
Inventory	**643**	586
Prepaid expenses and other	**1,654**	1,125
Due from member	**–**	1,309
Total current assets	**27,489**	23,417
Property and equipment, net	**109,462**	118,781
Trademarks and other intangible assets, net	**272,921**	275,672
Goodwill, net	**25,217**	31,522
Other assets, net	**4,522**	3,018
Total noncurrent assets	**412,122**	428,993
Total assets	**$ 439,611**	$ 452,410
Liabilities and member's equity		
Current liabilities:		
Accounts payable	**$ 3,076**	$ 2,098
Due to member	**5,332**	–
Accrued liabilities	**6,663**	6,258
Current maturities of long-term debt	**7,037**	6,125
Total current liabilities	**22,108**	14,481
Long-term debt, net of current maturities	**279,375**	288,485
Deferred credits and other long-term liabilities	**18,896**	19,629
Total noncurrent liabilities	**298,271**	308,114
Commitments and contingencies		
Member's equity:		
Contributed capital	**93,486**	125,582
Retained earnings	**25,746**	4,233
Total member's equity	**119,232**	129,815
Total liabilities and member's equity	**$ 439,611**	$ 452,410

See accompanying notes.

Cajun Global LLC and Subsidiaries

Consolidated Statements of Operations

(In Thousands)

	For the Year Ended December 27, 2020	For the Year Ended December 29, 2019
Revenues		
Sales by company-operated restaurants	**$ 129,938**	$ 132,334
Franchise revenue	**48,173**	50,294
Rental and other income	**10,805**	11,514
Total revenues	**188,916**	194,142
Operating costs and expenses		
Company-operated restaurant expenses:		
Food, beverage, and packaging	**40,687**	43,435
Payroll and benefits	**34,443**	35,842
Other operating expenses	**32,423**	32,262
General and administrative expenses	**6,935**	26,114
Depreciation and amortization	**18,125**	18,122
Impairment, special charges, and loss on asset dispositions	**1,788**	1,264
Total operating costs and expenses	**134,401**	157,039
Operating income	**54,515**	37,103
Interest expense, net	**30,896**	31,589
Income before income taxes	**23,619**	5,514
Income tax expense	**2,106**	2,351
Net income	**$ 21,513**	$ 3,163

See accompanying notes.

Cajun Global LLC and Subsidiaries

Consolidated Statements of Changes in Member's Equity

(In Thousands)

	Contributed Capital	Retained Earnings	Total Member's Equity
Balance at December 30, 2018	$ 125,582	$ 12,192	$ 137,774
Cumulative catch-up adjustment for ASC 606	–	(11,122)	(11,122)
Net income	–	3,163	3,163
Balance at December 29, 2019	125,582	4,233	129,815
Net income	**–**	**21,513**	**21,513**
Cash dividend paid to Member	**(32,096)**	**–**	**(32,096)**
Balance at December 27, 2020	**$ 93,486**	**$ 25,746**	**$ 119,232**

See accompanying notes.

Cajun Global LLC and Subsidiaries

Consolidated Statements of Cash Flows

(In Thousands)

	For the Year Ended December 27, 2020	For the Year Ended December 29, 2019
Operating activities		
Net income	**$ 21,513**	$ 3,163
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**19,415**	19,700
Loss on asset dispositions	**695**	454
Changes in operating assets and liabilities:		
Accounts receivable, net	**1,724**	(634)
Inventory	**(57)**	59
Prepaid expenses and other	**(529)**	349
Accounts payable	**6,310**	(415)
Accrued liabilities	**405**	(400)
Total change in net working capital	**7,853**	(1,041)
Other noncurrent assets and liabilities	**(2,000)**	(57)
Net cash provided by operating activities	**47,476**	22,219
Investing activities		
Capital expenditures	**(2,724)**	(4,741)
Net cash used in investing activities	**(2,724)**	(4,741)
Financing activities		
Due from/to member	**1,309**	(5,702)
Debt borrowings	**26,200**	19,800
Principal payments on long-term debt	**(33,646)**	(28,335)
Cash dividend to Member	**(32,096)**	–
Net cash used in financing activities	**(38,233)**	(14,237)
Net increase in cash, cash equivalents, and restricted cash	**6,519**	3,241
Cash, cash equivalents, and restricted cash at beginning of year	**12,582**	9,341
Cash, cash equivalents, and restricted cash at end of year	**$ 19,101**	$ 12,582

See accompanying notes.

1. Formation and Business

Cajun Global LLC (Cajun Global or the Company), a single-member LLC, was organized under the laws of the state of Delaware on January 14, 2011, and is the owner and franchisor of the Church's Chicken and Texas Chicken brands. The member's liability in the Company is limited to its membership interest in the Company. Cajun Global is a direct, wholly owned subsidiary of Cajun Operating Company (Cajun Operating), a Delaware corporation incorporated on October 28, 2004. Cajun Operating is a direct, wholly owned subsidiary of Church's Holding Corp., a Delaware corporation. Church's Holding Corp. and Subsidiaries (Holdings or the Parent) was incorporated in 2009 by investment funds affiliated with Friedman, Fleischer & Lowe LLC. Church's Acquisition Corp. (Acquisition Sub) was organized by Holdings to acquire Cajun Holding Company (Cajun Holdings) and Cajun Operating, the former owner and franchisor of the Church's Chicken and Texas Chicken brands, respectively. On August 4, 2009, pursuant to a stock purchase agreement, Acquisition Sub acquired all of the outstanding shares of Cajun Holdings and substantially all of the outstanding shares of Cajun Operating, followed concurrently with the mergers of Cajun Holdings into Cajun Operating (with Cajun Operating as the surviving corporation) and Acquisition Sub into Cajun Operating (with Cajun Operating as the surviving corporation) (collectively, the Merger). As a result of the Merger, Cajun Operating is a wholly owned subsidiary of Holdings. Debt transactions entered into by Holdings in conjunction with the Merger included a $155 million secured term loan and a $60 million subordinated term loan (Parent Debt). Cajun Global was formed in connection with a refinancing of the Parent Debt on February 24, 2011 (2011 Securitization) (see Note 9).

On February 4, 2011, Cajun Operating made an initial capital contribution of $250,000 to the Company, which was prior to the commencement of operations of Cajun Global.

On February 24, 2011, in connection with the 2011 Securitization, Cajun Operating contributed its wholly owned subsidiary, Cajun Funding Corp., which owned substantially all of its assets constituting franchise agreements, development agreements, and related agreements, and all rights to develop and expand the Church's Chicken and Texas Chicken restaurant systems, to the Company. In its capacity as the franchisor, the Company will enter into all additional development and franchise agreements for Church's Chicken and Texas Chicken restaurants. Simultaneously, Cajun Operating and CT Restaurants L.P. (CT Restaurants) contributed the assets and operations of 228 restaurants to the Company, which, in turn, contributed them to its wholly owned subsidiary Cajun Restaurants LLC (Cajun Restaurants). Simultaneously, Cajun Operating and CT Restaurants contributed 211 real estate leases or subleases and 9 properties of fee simple real estate to the Company, which, in turn, contributed them to Cajun Realty LLC (Cajun Realty). In

1. Formation and Business (continued)

connection with the Merger, Cajun Operating recorded a significant amount of goodwill, trademarks, and other intangible assets. Resulting from the contribution of assets and operations to Cajun Global, the asset value of franchise agreements and development agreements, deferred lease assets related to leases contributed to Cajun Global, and goodwill and trademarks were pushed down from Cajun Operating to Cajun Global based on the relative fair values of Cajun Operating and Cajun Global.

In conjunction with the 2011 Securitization, the Company, Cajun Funding Corp., Cajun Realty, and Cajun Restaurants (collectively, the Co-Issuers) issued $220.0 million of 5.955% Series 2011-1 Class A-2 senior secured notes with an anticipated repayment date of February 20, 2019, and a final maturity date of February 20, 2041, and $25.0 million of Series 2011-1 Class A-1 senior secured variable funding notes with a renewal date of January 31, 2018, as amended (collectively, the Notes). The Notes are secured by substantially all of the assets of the Co-Issuers (see Note 9).

On June 26, 2017, the Company issued $185.0 million of Series 2017-1 Class A-2 Senior Secured Fixed Rate Notes (2017 Fixed Rate Notes) and repaid the outstanding balance of the 2011 Fixed Rate Notes and 2011 Variable Funding Notes (see Note 9). In connection with the issuance of the 2017 Fixed Rate Notes, the Co-Issuers also entered into a securitized financing facility of Series 2017-1 Class A-1 Senior Secured Variable Funding Notes (2017 Variable Funding Notes), which allows for the issuance of up to $25.0 million of 2017 Variable Funding Notes and certain other credit instruments, including letters of credit.

Nature of Operations

The Company develops, operates, and franchises quick-service restaurants (generally referred to as QSRs or units), under the trade names Church's Chicken and Texas Chicken in 28 states, the District of Columbia, Puerto Rico, and 25 foreign countries. The Company added 77 new franchise restaurants worldwide during both 2020 and 2019. At December 27, 2020, there were 1,562 Church's Chicken and Texas Chicken restaurants operating worldwide. These restaurants included 147 units operated by the Company, 13 units operated by Cajun Operating, and 753 units operated by franchisees of the Company in the United States. An additional 649 restaurants were operated by franchisees of the Company in foreign countries and United States territories.

2. Basis of Presentation

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

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions for these subsidiaries have been eliminated in consolidation. From time to time, the Company enters into related-party transactions with Cajun Operating, which include services as described below. The intercompany balances have no fixed repayment terms, do not include interest, and are settled periodically between the related parties. As of December 27, 2020 and December 29, 2019, as reflected on the consolidated balance sheets, transactions between Cajun Global and related affiliates accumulated to a payable of $5.3 million and a receivable of $1.3 million, respectively.

Comprehensive income (loss) is the sum of net income and other unrealized gains and losses recorded on the consolidated statements of changes in member's equity. Comprehensive income (loss) for the years ended December 27, 2020 and December 29, 2019, was the same as the net income for the respective years.

The Company evaluated subsequent events through April 16, 2021, the date the accompanying consolidated financial statements were available to be issued, and has determined no material subsequent events occurred after the balance sheet date but prior to the date the consolidated financial statements were available to be issued, except as disclosed in Note 16.

3. Summary of Significant Accounting Policies

Use of Estimates

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

3. Summary of Significant Accounting Policies (continued)

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 year, the first fiscal quarter contains 16 weeks and the remaining quarters contain 12 weeks. In a 53-week year, the first fiscal quarter contains 16 weeks, the fourth quarter contains 13 weeks, and the remaining quarters contain 12 weeks. The Company's 2020 and 2019 fiscal years each comprised 52 weeks.

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 nonpublic companies in fiscal years beginning after December 15, 2021, and interim periods within fiscal years 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 consolidated financial statements, the effect of adoption is expected to be material based upon the volume of the Company's operating leases.

In August 2018, the FASB issued Accounting Standards Update (ASU) 2018-15, *Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*. ASU 2018-15 aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software (and hosting arrangements that include an internal-use software license). The guidance provides criteria for determining which implementation costs to capitalize as an asset related to the service contract and which costs to expense. The capitalized implementation costs are required to be expensed over the term of the hosting arrangement. The guidance also clarifies the presentation requirements for reporting such

3. Summary of Significant Accounting Policies (continued)

costs in the entity's financial statements. ASU 2018-15 is effective for annual periods beginning after December 15, 2020, and interim periods in annual periods beginning after December 15, 2021, with early adoption permitted in any interim period for which financial statements have not been issued. The adoption of ASU 2016-15 is not expected to have a material effect on the Company's consolidated financial statements.

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 consolidated financial statements upon adoption.

Revenue Recognition

Sales by Company-Operated Restaurants

Revenue from the sale of food and beverage products at Company-operated restaurants is recognized when items are sold. Sales taxes collected from customers and remitted to governmental authorities are presented on a net basis on the accompanying consolidated statements of operations.

Franchise Revenue

Revenues from franchise operations include royalty fees based on a percentage of restaurant sales, 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, and renewal fees associated with the renewal of the franchise contract.

The Company recognizes royalty revenues as earned. 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 20 years. Further, the Company has determined that the renewal contract is treated as a new contract, and therefore the renewal fees are recognized as revenue over the term of the renewal contract.

3. Summary of Significant Accounting Policies (continued)

Rental and Other Income

Where the Company is a lessor, rental income is recorded on a straight-line basis over the initial lease terms, and contingent rentals are included in rental income as they accrue.

Cash and Cash Equivalents

The Company considers all money market investment instruments and certificates of deposit with original maturities of three months or less to be cash equivalents. The Company maintains cash on deposit with domestic financial institutions. In certain instances, cash on deposit exceeds federally insured limits.

Restricted Cash

Certain cash accounts are required to be maintained by the 2017 Securitization, its indenture and other related agreements. These cash accounts may be used only for the purposes specified in the 2017 Securitization Agreement. The Company has presented these cash accounts as restricted cash in the current asset section on the consolidated balance sheets based upon the expected date of cash distribution.

Accounts Receivable, Net

Accounts receivable, net consist primarily of amounts due from franchisees related to royalties, rents, and various miscellaneous items and are generally due within 14 days following each week's or period's sales pursuant to franchise agreements. At December 27, 2020 and December 29, 2019, accounts receivable of $6.1 million and $7.8 million, respectively, were net of allowances for doubtful accounts of $0.6 million and $0.6 million, respectively. Allowance for doubtful accounts is recorded based on management's judgment regarding the Company's ability to collect, as well as the age of the accounts receivable. The Company does not require collateral from franchisees. Accounts receivable is charged off against the allowance for doubtful accounts when it is probable the accounts receivable will not be collected.

Inventory

Inventory consists principally of food, beverage items, and supplies, which are carried at the lower of cost (determined on a first-in, first-out basis) or net realizable value.

3. Summary of Significant Accounting Policies (continued)

Advertising Funds

The Company's franchise agreements for all restaurants owned by the Parent, the Company, domestic franchisees, and certain international franchisees, including all franchisees in Puerto Rico, are required to participate and contribute a percentage of their gross sales to an advertising fund administered by Church's Chicken Advertising Fund (the Fund).

The Company's contributions to the Fund are reflected on the accompanying consolidated statements of operations as a component of other operating expenses. Such contributions and the Company's other advertising costs are expensed as incurred. Advertising costs, including contributions to the Fund, were approximately $6.8 million and $7.0 million for the years ended December 27, 2020 and December 29, 2019, respectively.

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: 15 to 25 years for buildings; 2 to 15 years for equipment; and in the case of leasehold improvements, the lesser of the useful life of the asset or the lease term (generally 3 to 20 years).

The Company evaluates property and equipment for impairment when circumstances arise indicating that a particular asset may be impaired. For property and equipment at Company-operated restaurants, the Company performs its annual impairment evaluation on a site-by-site basis. A two-year history of operating losses is used as the primary indicator of potential impairment.

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. 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 recorded an impairment charge of $0.1 million for the year ended December 27, 2020. The Company recorded a $0.1 million

3. Summary of Significant Accounting Policies (continued)

impairment charge for the year ended December 29, 2019. Impairment charge is presented within impairment, special charges, and loss on asset dispositions on the accompanying consolidated statement of operations (see Note 13).

Trademarks and Other Intangible Assets, Net

Trademarks and other intangible assets, net relate primarily to the "Church's Chicken" and "Texas Chicken" trade names and other intangible assets related to the Company's franchise and development agreements. The Company also maintains intangible assets associated with acquired lease agreements that were determined to be above or below prevailing market rates as of the date they were acquired. In such circumstances, the Company records a deferred lease asset or liability based on the present value of the differential between the stated rent terms and the estimated market terms.

Trademarks are considered to have an indefinite life. The Company evaluates such trademarks for impairment on an annual basis or more frequently if events or circumstances indicate the trademarks might be impaired. The Company has the option to first perform a qualitative assessment for testing the trademarks 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 trademarks 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 trademarks is less than their carrying value, then the Company performs a quantitative assessment. The Company uses a relief from royalty method for estimating the fair value of the trademark when performing a quantitative assessment.

In 2020 and 2019, the Company elected to perform qualitative assessments. Based on the qualitative assessments performed in fiscal 2020 and 2019, the Company determined that its trademarks were not impaired.

The intangible assets related to franchise and development agreements are considered to be finite-lived and are amortized over their expected useful lives, which approximate the legal term of the respective agreements excluding optional renewal periods. Deferred lease assets and liabilities are amortized to rent income (where the Company is the lessor) or rent expense (where the Company is the lessee) on a straight-line basis over the estimated remaining term of the lease, excluding optional renewal periods.

3. Summary of Significant Accounting Policies (continued)

When facts and circumstances indicate that the carrying amount of finite-lived intangible assets may not be recoverable, management assesses the recoverability of the carrying amount by comparing the expected future cash flows (undiscounted) with the carrying amount of the related assets or asset group. Accordingly, an impairment loss is recognized if the carrying amount of an intangible asset is not recoverable and its carrying amount exceeds its fair value. The Company has determined that there are no impairment losses associated with its finite-lived intangible assets.

Goodwill, Net

The Company adopted the private company accounting alternative for the subsequent measurement of goodwill, ASU 2014-02, *Intangibles – Goodwill and Other (Topic 350): Accounting for Goodwill,* at the beginning of fiscal 2015 and started amortizing goodwill using the straight-line method over ten years in accordance with the guidance in this private company accounting alternative.

Further, in accordance with ASU 2014-12, goodwill is tested for impairment when an event occurs or circumstances change that indicate that the fair value of the Company, including its goodwill, may be below its carrying amount (triggering event). Upon the occurrence of a triggering event, the Company determines its enterprise fair value and compares its fair value with its carrying amount, including goodwill. The Company uses discounted cash flow models and the market approach model, weighted equally, to determine its fair value. 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 Company exceeds its fair value. The goodwill impairment loss, if any, is measured as the amount by which the carrying amount of the Company, including goodwill, exceeds its fair value.

Deferred Financing Costs

Deferred financing costs represent loan origination fees and other costs paid to financing institutions associated with a credit facility. Deferred financing costs are amortized over the term of the related credit facility using the effective interest method. Deferred financing costs for credit facilities are presented as a direct deduction from the carrying amount of the associated debt liability on the accompanying consolidated balance sheets. The amortization of the deferred financing costs is presented within interest expense, net on the accompanying consolidated statements of operations.

3. Summary of Significant Accounting Policies (continued)

Depreciation and Amortization

Depreciation of property and equipment and amortization of franchise and development agreements are presented within depreciation and amortization on the accompanying consolidated statements of operations. On the accompanying consolidated statements of cash flows, depreciation and amortization also include amortization of deferred lease assets, deferred lease liabilities, and deferred financing costs. Deferred lease assets, deferred lease liabilities, and deferred financing costs are presented within other operating expenses, rental income and other income, and interest expense, net, respectively, on the accompanying consolidated statements of operations.

General and Administrative Expenses

Cajun Operating provides general and administrative services to the Company, including franchising, marketing, real estate, intellectual property, legal, accounting, facilities, development, purchasing, menu development, and restaurant operations. Cajun Operating charges the Company a weekly service fee (Management Fees) for these activities based upon a formula as defined in the servicing agreement, which reflects the costs of doing business and is specific to the Company. The total amount of Management Fees for the years ended December 27, 2020 and December 29, 2019, was $6.4 million and $25.4 million, respectively, and is presented within general and administrative expenses on the accompanying consolidated statements of operations. The Company exercised its discretion not to pay its weekly Management Fees beginning in April 2020 due to uncertainties related to COVID-19. The Management Fees is not mandatory or required under the 2017 Securitization, its indenture and other related agreements. Rather, the Company opted to pay a dividend to Cajun Operating on a weekly basis in lieu of the Management Fees. The Company cannot estimate with any reasonable certainty what the charges for similar services would have been on a stand-alone basis.

Leases

The Company is both a lessee and lessor of units under long-term operating 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.

3. Summary of Significant Accounting Policies (continued)

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. Contingent rentals are generally based on sales levels in excess of stipulated amounts, and thus are not considered minimum lease payments and are included in rent expense as they accrue.

Insurance

The Company carries property, general liability, business interruption, crime, director and officer liability, employment practices liability, fiduciary liability, media liability, environmental, 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 $250,000 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 consolidated balance sheets.

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 Company is a single-member limited liability company and consequently is not subject to United States federal or state income taxes. Any taxable income or losses and deductions are the responsibility of the Parent, the Company's sole member. However, many of the Company's franchisees are based in countries that have tax treaties with the United States. Under these tax treaties, the Company's franchisees deduct withholding taxes from the amounts payable to the Company and remit such withholding taxes to their local taxing authorities. These withholding taxes are reflected as income tax expense on the accompanying consolidated statements of operations.

3. Summary of Significant Accounting Policies (continued)

Foreign Currency Transactions

Substantially all foreign-sourced revenues (principally royalties from international franchisees) are recorded in U.S. dollars. The aggregate effects of any exchange gains or losses are presented within general and administrative expenses on the accompanying consolidated statements of operations. For the years ended December 27, 2020 and December 29, 2019, net foreign currency losses were approximately $0.1 million.

4. Property and Equipment, Net

The components of property and equipment, net are as follows (in thousands):

	December 27, 2020	December 29, 2019
Land	**$ 74,228**	$ 76,314
Buildings and improvements	**78,275**	77,905
Equipment	**38,257**	37,575
Construction-in-progress	**225**	1,087
	190,985	192,881
Less accumulated depreciation	**(81,523)**	(74,100)
	$ 109,462	$ 118,781

Depreciation expense was approximately $9.3 million and $9.3 million for the years ended December 27, 2020 and December 29, 2019, respectively.

5. Trademarks and Other Intangible Assets, Net

The components of trademarks and other intangible assets, net are as follows (in thousands):

	December 27, 2020	December 29, 2019
Trademarks	**$ 242,862**	$ 242,612
Amortizable intangible assets:		
Franchise agreements	**47,557**	47,317
Deferred lease assets	**18,739**	18,740
Development agreements	**8,200**	8,200
	317,358	316,869
Less accumulated amortization:		
Franchise agreements	**(24,915)**	(22,848)
Deferred lease assets	**(15,154)**	(14,342)
Development agreements	**(4,368)**	(4,007)
Total accumulated amortization	**(44,437)**	(41,197)
	$ 272,921	$ 275,672

Amortization expense associated with the finite-lived intangible assets was $3.3 million and $3.3 million for the years ended December 27, 2020 and December 29, 2019, respectively. The remaining weighted average amortization period is approximately 14 and 16 years for franchise agreements and development agreements, respectively. Deferred lease assets are amortized over the remaining term of the underlying lease agreements.

Estimated amortization expense for each of the five succeeding years is as follows (in thousands):

2021	$ 3,165
2022	3,120
2023	3,086
2024	2,872
2025	1,925

6. Goodwill, Net

The goodwill, net balance recorded on the accompanying consolidated balance sheets relates to $90.6 million recorded in conjunction with the August 2009 transaction described in Note 1.

No triggering events occurred during fiscal 2020 or 2019, and therefore, goodwill was not required to be tested for impairment in fiscal years 2020 and 2019.

The following table presents changes in the carrying amount of goodwill (in thousands):

	December 27, 2020	**December 29, 2019**
Beginning balance:		
Goodwill	**$ 90,646**	$ 90,646
Accumulated amortization expense	**(33,754)**	(27,449)
Accumulated impairment charge	**(25,027)**	(25,027)
Write-off related to disposed businesses	**(343)**	(343)
	31,522	37,827
Amortization expense	**(6,305)**	(6,305)
Ending balance:		
Goodwill	**$ 90,645**	$ 90,646
Accumulated amortization expense	**(40,058)**	(33,754)
Accumulated impairment charge	**(25,027)**	(25,027)
Write-off related to disposed businesses	**(343)**	(343)
	$ 25,217	$ 31,522

The estimated future amortization expense for the remaining four-year amortization period is $6.3 million per year.

7. Other Assets, Net

The components of other assets, net are as follows (in thousands):

	December 27, 2020	December 29, 2019
Deferred rent	**$ 2,600**	$ 2,692
Notes receivable	**1,599**	–
Other	**323**	326
	$ 4,522	$ 3,018

8. Accrued Liabilities

The components of accrued liabilities are as follows (in thousands):

	December 27, 2020	December 29, 2019
Interest	**$ 1,123**	$ 1,212
Payroll and benefits	**2,642**	1,301
Property taxes	**779**	867
Utilities	**427**	446
Other	**1,692**	2,432
	$ 6,663	$ 6,258

9. Long-Term Debt

The components of long-term debt are as follows (in thousands):

	December 27, 2020	December 29, 2019
Series 2017-1 Class A-2 senior notes with anticipated repayment date of August 20, 2022, at a fixed rate of 6.5%	**$ 165,575**	$ 171,125
Series 2017-1 Class A-1 senior secured variable funding notes with anticipated repayment date of February 20, 2022	**–**	–
2004 financing transaction due December 28, 2024	**34,780**	35,083
2004 financing transaction due December 28, 2029	**77,293**	80,421
2008 financing transaction due January 28, 2028	**1,704**	1,729
Other financing transactions	**9,038**	9,518
Total debt obligations before deferred debt costs	**288,390**	297,876
Less deferred debt costs	**(1,978)**	(3,266)
Total debt obligations	**$ 286,412**	$ 294,610

On February 24, 2011, Cajun Global LLC, Cajun Funding Corp., Cajun Restaurants LLC, and Cajun Reality LLC (the Co-Issuers), which are indirect subsidiaries of the Company, issued $220.0 million of Series 2011-1 Class A-2 Senior Secured Fixed Rate Notes (2011 Fixed Rate Notes) in a private transaction. The Co-Issuers are existing special-purpose, bankruptcy-remote, indirect subsidiaries of Holdings that hold substantially all of Holdings' franchising assets and real estate.

On June 26, 2017, the Co-Issuers issued $185.0 million of Series 2017-1 Class A-2 Senior Secured Fixed Rate Notes (2017 Fixed Rate Notes) in a private transaction that incurred interest at 6.5% per annum, and repaid the outstanding balance of the 2011 Fixed Rate Notes and 2011 Variable Funding Notes. The 2017 Fixed Rate Notes have an anticipated life of five years with an anticipated repayment date in August 2022, based on the terms of the debt agreement. In connection with the issuance of the 2017 Fixed Rate Notes, the Co-Issuers also entered into a securitized financing facility of Series 2017-1 Class A-1 Senior Secured Variable Funding Notes, (2017 Variable Funding Notes). The 2017 Variable Funding Notes facility allows for the issuance of up to $25.0 million of 2017 Variable Funding Notes and certain other credit instruments,

9. Long-Term Debt (continued)

including letters of credit. The 2017 Variable Funding Notes have an anticipated repayment date of February 2022. The 2017 Fixed Rate Notes and the 2017 Variable Funding Notes are secured by substantially all of the assets of the Co-Issuers. As of December 27, 2020, assets for these Co-Issuers totaled $439.6 million. Outstanding letter-of-credit commitments incur interest at 3.75% per annum, and unused availability under the 2017 Variable Funding Notes facility is subject to a commitment fee equal to 0.50% per annum.

Outstanding cash borrowings under the 2017 Variable Funding Notes facility incur interest based on a margin of 2.75% to 3.75% above certain benchmark rates (the one-month London Interbank Offered Rate or commercial paper) at the election of the Company. Interest on the 2017 Variable Funding Notes is payable monthly.

At December 27, 2020, $0 was outstanding under the 2017 Variable Funding Notes, and accrued interest totaled $0. Interest paid under the 2017 Variable Funding Notes totaled $0.2 million and $0.1 million for the years ended December 27, 2020 and December 29, 2019, respectively. At December 27, 2020, $1.1 million of the Variable Funding Notes had been utilized to secure outstanding letters of credit, and $23.9 million remained unused.

At December 27, 2020, the balance outstanding under the Fixed Rate Notes, including accrued interest, totaled $166.7 million and carried a weighted average interest rate of 7.2%, including the effect of the original issue discount and the loan origination cost amortization described below. Interest paid under the Fixed Rate Notes totaled approximately $11.0 million and $11.3 million for the years ended December 27, 2020 and December 29, 2019, respectively.

Debt issuance costs associated with the Company's various financing transactions are deferred and amortized over the anticipated life of the respective obligations. Such costs associated with the Company's 2017 refinancing totaled approximately $6.7 million and were allocated between the Fixed Rate Notes and Variable Funding Notes. The net carrying amount of deferred financing costs at December 27, 2020 and December 29, 2019, was $2.0 million and $3.3 million, respectively. Amortization of deferred financing costs is presented within interest expense and totaled $1.3 million and $1.3 million for the years ended December 27, 2020 and December 29, 2019, respectively.

9. Long-Term Debt (continued)

While the Fixed Rate Notes and the Variable Funding Notes (collectively, the 2017 Notes) are structured to provide for anticipated repayment dates of August 20, 2023, and February 20, 2023, respectively, they have a legal final maturity date of August 2047. The Company intends to repay or refinance the 2017 Notes on or before the end of their respective anticipated lives. If the 2017 Notes are not paid in full by the end of their anticipated lives, the 2017 Notes are subject to an upward adjustment in the interest rate of at least 5% per annum. In addition, principal payments will accelerate by applying all of the royalties, lease revenues, and other fees securing the debt, after deducting certain expenses, until the debt is paid in full. Any unfunded amount under the 2017 Variable Funding Notes will become unavailable by the end of its anticipated life.

Neither Holdings, the ultimate parent of the Co-Issuers, nor any other subsidiary of Holdings guarantees or in any way is liable for the obligations of the Co-Issuers under the 2017 Notes. Holdings has, however, agreed to cause the performance of certain obligations of its subsidiaries, principally related to managing the assets included as collateral for the 2017 Notes.

The 2017 Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) required actions to better secure collateral upon the occurrence of certain performance-related events; (ii) application of certain disposition proceeds as note prepayments after a set time is allowed for reinvestment; (iii) maintenance of specified reserve accounts; (iv) maintenance of certain debt service coverage ratios; (v) optional and mandatory prepayments upon a change in control; (vi) indemnification payments for defective or ineffective collateral; and (vii) covenants relating to record-keeping, access to information, and similar matters. If certain covenants or restrictions are not met, the 2017 Notes are subject to customary accelerated repayment events and events of default. Although management does not anticipate an event of default or any other event of noncompliance with the provisions of the debt, if such event were to occur, the unpaid amounts outstanding could become immediately due and payable.

In connection with the Securitization, the Company also assumed certain debt obligations of Cajun Operating, including a 2004 financing transaction whereby 321 Church's locations were sold to a third party and simultaneously leased back from the purchaser (the 2004 Financing Transaction) and of which 174 were subleased to franchisees. The agreement originally provided for a 20-year noncancelable term with two optional renewal periods of ten years each. In connection with issuing the 2011 Notes, the lease for 191 of the Church's locations was amended to extend the initial lease term from 20 to 25 years. Total payments under the agreement were $18.6 million and $18.4 million for the years ended December 27, 2020 and December 29, 2019, respectively. Required payments for 2021 amount to $18.6 million and escalate by 1.5% each year during the base term as well as during any exercised option periods.

9. Long-Term Debt (continued)

The Company also assumed the lease obligation for six locations from a 2008 transaction whereby Cajun Operating sold eight Church's locations and simultaneously leased them back from the purchaser (the 2008 Financing Transaction). The agreement provides for a 20-year noncancelable term with two optional renewal periods of ten years each. Total payments under the agreement were $0.3 million for the years ended December 27, 2020 and December 29, 2019. Required payments for 2021 amount to $0.3 million and escalate by 1.5% each year during the 20-year base term, as well as during any exercised option periods.

During 2010, Cajun Operating entered into transactions whereby six Church's locations were sold and simultaneously leased back from the purchaser (the 2010 Financing Transactions) included as part of other financing transactions in the foregoing table. The Company assumed the lease obligation for four of these locations. The agreements, which were assumed by the Company in the 2011 Securitization, each provide for a 15-year noncancelable term with four optional renewal periods of five years each. Total payments under the agreement were $0.4 million for the years ended December 27, 2020 and December 29, 2019. Required payments for 2021 amount to $0.4 million and escalate by 1.5% each year during the 15-year base term, as well as during any exercised option periods.

Due to the Company's continuing involvement with these properties, the 2004 Financing Transaction, the 2008 Financing Transaction, and the 2010 Financing Transactions did not qualify for sale-leaseback accounting but rather are financing transactions. Accordingly, the sales price of the properties was recorded as financing obligations within long-term debt on the accompanying consolidated balance sheets. In connection with the Merger, the obligations for the 2004 Financing Transaction and the 2008 Financing Transaction were adjusted to their estimated fair values. The resulting obligations are being amortized over the remaining noncancelable terms of the underlying agreements, with a portion of the payments being allocated to interest expense and a portion to the outstanding debt balance, based on interest rates in a range between 14.21% and 15.25%. The assets subject to the 2004 Financing Transaction and the 2008 Financing Transaction were also adjusted to their estimated fair value at the time of the Merger and are recorded as a component of property and equipment, net on the accompanying consolidated balance sheets. The assets are depreciated over their estimated useful lives on a basis consistent with other similar depreciable assets owned by the Company.

9. Long-Term Debt (continued)

From time to time, Cajun Operating has entered into "build-to-suit" leasing arrangements for the construction of new Church's restaurants. During the construction period for these locations, the Company is considered the owner of the project for financial reporting purposes as it maintains substantially all of the construction period risk. In connection with the 2011 Securitization, the Company assumed certain of these build-to-suit leasing arrangements. As the Company is considered the owner of the asset during the construction period, upon completion of construction and initiation of the lease term, a sale-leaseback of the properties effectively occurs.

Due to the Company's continuing involvement with the properties, however, the transactions do not qualify for sale-leaseback accounting.

The obligations related to the building portion of the build-to-suit leasing arrangements are recorded as financing obligations within long-term debt on the accompanying consolidated balance sheets. Obligations and related assets related to the build-to-suit leasing arrangements at the date of Merger were adjusted based on their estimated fair values at the date of the Merger. Due to fixed-price lease renewals and other continuing involvement with the properties, those transactions also do not qualify for sale-leaseback accounting. These obligations are being amortized over the 15- to 20-year noncancelable terms of the underlying agreements, with a portion of the payments being allocated to interest expense and a portion to the outstanding debt balance, based on implied effective interest rate. The assets subject to the transactions were recorded as a component of property and equipment, net also at their estimated fair values. The assets are depreciated over their estimated useful lives on a basis consistent with other similar depreciable assets owned by the Company.

As of December 27, 2020, the aggregate annual maturities of long-term debt for the next five years were as follows (in thousands):

2021	$	8,288
2022		163,138
2023		3,813
2024		4,497
2025		36,933

9. Long-Term Debt (continued)

The terms of the 2017 Notes and the 2004, 2008, and 2010 Financing Transactions, collectively, include various provisions that, among other things, require the Company to (i) maintain defined net worth and coverage ratios, (ii) maintain defined leverage ratios, (iii) limit the incurrence of certain liens or encumbrances in excess of defined amounts, and (iv) limit capital expenditures and other payments. At December 27, 2020, the Company was in compliance with all provisions of the various agreements, as amended.

10. Deferred Credits and Other Long-Term Liabilities

The components of deferred credits and other long-term liabilities are as follows (in thousands):

	December 27, 2020	December 29, 2019
Deferred lease liabilities, net of accumulated amortization	**$ 4,448**	$ 5,047
Deferred franchise revenue	**14,059**	14,163
Other	**389**	419
	$ 18,896	$ 19,629

11. Fair Value of Financial Instruments

The Company categorizes its assets and liabilities recorded at fair value based upon the following fair value hierarchy in accordance with ASC Topic 820, *Fair Value Measurement*:

- Level 1 – Valuations use quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date. An active market is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

- Level 2 – Valuations use inputs other than actively quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in markets that are not active; (c) inputs other than quoted prices that are observable for the asset or liability, such as

11. Fair Value of Financial Instruments (continued)

interest rates and yield curves observable at commonly quoted intervals; and (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

- Level 3 – Valuations use unobservable inputs for the asset or liability. Unobservable inputs are used to the extent observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

The fair value of financial instruments is the amount at which the instrument could be exchanged in a current transaction between willing parties. The fair values of cash equivalents; receivables, net; accounts payable; and short-term debt approximate their carrying amounts due to their short duration.

At December 27, 2020, the fair value of the Company's 2017 Fixed Rate Notes was approximately $167.2 million, compared to the carrying value of $165.6 million, using Level 2 fair value inputs. At December 27, 2020, the fair value of the Company's lease financing liabilities was approximately $122.0 million compared to the carrying value of $122.8 million, using Level 3 fair value inputs.

12. Employee Benefit Plan

The Parent maintains a qualified retirement plan (the Plan) under Section 401(k) of the Internal Revenue Code of 1986, as amended, for the benefit of employees meeting certain eligibility requirements as outlined in the plan document. All employees are subject to the same contribution and vesting schedules. The Company may make both voluntary and matching contributions to the Plan. No voluntary or matching contributions were made by the Company for the years ended December 27, 2020 or December 29, 2019.

13. Impairment, Special Charges, and Loss on Asset Dispositions

Impairment, special charges, and loss on asset dispositions in 2020 and 2019 aggregating $1.8 million and $1.3 million, respectively, included loss on asset dispositions, including the sale of certain surplus properties owned by the Company, settlement of lease obligations related to closed Company-operated restaurants, and other normal retirement and disposition of restaurant equipment.

14. Equity

On February 4, 2011, Cajun Operating made an initial capital contribution of $250,000 to the Company, which was prior to the commencement of operations of Cajun Global. On February 24, 2011, in connection with the 2011 Securitization and the commencement of operations of Cajun Global, Cajun Operating contributed substantially all of its assets constituting franchise agreements, development agreements, and related agreements, and all rights to develop and expand the Church's Chicken and Texas Chicken restaurant systems, to the Company. Resulting from these capital contributions, the Company commenced operations with an equity balance of $396.6 million.

During fiscal 2011, the Company used the proceeds from the issuance of the 2011 Notes, net of issuance costs, and restricted cash reserve requirements to pay a $193.3 million cash dividend to Holdings.

15. Commitments and Contingencies

Leases

The Company leases property and equipment associated with (i) Company-operated restaurants, (ii) certain former Company-operated restaurants that are now operated by franchisees and the property subleased to the franchisee, (iii) certain former Company-operated restaurants that are now subleased to third parties, and (iv) the corporate facility. At December 27, 2020, future minimum payments under noncancelable operating leases were as follows (in thousands):

2021	$	3,895
2022		3,290
2023		2,921
2024		2,453
2025		2,156
Thereafter		4,791
Total future minimum lease payments	$	19,506

Rental expense was approximately $3.8 million and $3.9 million for the years ended December 27, 2020 and December 29, 2019, respectively.

15. Commitments and Contingencies (continued)

The Company subleases certain restaurant properties to franchisees. Rental income, including contingent rentals, from these leases and subleases was approximately $10.5 million and $11.1 million for the years ended December 27, 2020 and December 29, 2019, respectively.

At December 27, 2020, future minimum rental income, excluding contingent rentals, associated with these leases and subleases, for each of the next five years is approximately $8.0 million, $8.0 million, $7.7 million, $7.7 million, and $3.3 million, respectively.

Supply Contracts

The principal raw material for the Church's Chicken system is fresh chicken, representing approximately 50% to 60% of food, beverage, and packaging costs. Company-operated and franchised restaurants purchase their chicken from suppliers that serve the Company's restaurants and its franchisees from various plant locations. The cost of fresh chicken can be significantly affected by a number of factors, including increases in the cost of grain, disease, declining market supply of QSR-sized chickens, and other factors that affect availability.

The Parent maintains an internal purchasing department to negotiate and manage supply agreements for Church's Company-operated and franchised restaurants. The Parent charges a fee to all domestic locations to support this function. In order to ensure favorable pricing for fresh chicken purchases and to maintain an adequate supply of fresh chicken for Company-operated restaurants and franchisees, the Parent has entered into purchase contracts with chicken suppliers on behalf of Cajun Global and its franchisees. The Parent enters into fixed-price contracts as well as "cost-plus" contracts that utilize prices based upon the cost of feed grains plus certain agreed-upon non-feed and processing costs. These contracts include volume purchase commitments that under certain circumstances are adjustable, typically by up to 10%.

The Parent has also entered into long-term beverage supply agreements on behalf of the Company with certain beverage vendors. These contracts are customary to the QSR industry. Pursuant to the terms of these arrangements, marketing rebates are provided from the beverage vendors based upon the dollar volume of the Company's business unit purchases, which will vary according to its demand for beverage syrup and fluctuations in the market rates for beverage syrup. Vendor allowances received in connection with the purchase of a vendor's products are recognized as a reduction of the related food and beverage costs as earned. Advance payments are made by the vendors based on estimates of volume to be purchased from the vendors and the terms of the agreement. As purchases are made from the vendors, a pro rata portion of allowances earned is recognized as a reduction of food and beverage costs for that period.

15. Commitments and Contingencies (continued)

Litigation

Cajun Global is a defendant in various legal proceedings arising in the ordinary course of business, including employment-related claims; claims from guests or employees alleging illness, injury, or other food quality, health, or operational concerns; and claims related to franchise matters. The Company has established adequate liabilities, based on management's best estimate, to provide for the defense and settlement of such matters, and it believes their ultimate resolution will not have a material adverse effect on its consolidated financial position or its consolidated results of operations.

Environmental Matters

Cajun Global is subject to various federal, state, and local laws regulating the discharge of pollutants into the environment. The Company believes that it conducts its operations in substantial compliance with applicable environmental laws and regulations, as well as other applicable laws and regulations governing its operations. Certain of the Company's current and formerly owned and/or leased properties are known or suspected to have been used by prior owners or operators as retail gasoline stations, and some of these properties may have been used for other environmentally sensitive purposes. Many of these properties previously contained underground storage tanks (USTs), and some of these properties may currently contain abandoned USTs. It is possible that petroleum products and other contaminants may have been released at these properties into the soil or groundwater. Under applicable federal and state environmental laws, Church's may be jointly and severally liable for the costs of investigation and remediation of any such contamination, as well as any other environmental conditions at its properties that are unrelated to USTs. The Company has obtained insurance coverage that it believes is adequate to cover any potential environmental remediation liabilities. The Company is currently not subject to any administrative or court order requiring remediation at any of its properties.

Foreign Operations

Cajun Global's international operations are limited to the franchising of its brand. Such operations represented approximately 36.1% and 37.3% of total franchise revenue and 9.1% and 9.5% of total revenue for the years ended December 27, 2020 and December 29, 2019, respectively.

15. Commitments and Contingencies (continued)

Geographic Concentrations

Of Cajun Global's domestic Company-operated and franchised restaurants, the majority are located in the southern and southwestern United States. Church's international franchisees operate primarily in Puerto Rico, Mexico, United Arab Emirates, Indonesia, Canada, and Singapore.

Related Parties

For the years ended December 27, 2020 and December 29, 2019, the Parent charged the Company an aggregate $6.4 million and $25.4 million, respectively, for management services, which is presented within general and administrative expenses on the accompanying consolidated statements of operations.

16. Subsequent Events

The Company is closely monitoring the coronavirus (COVID-19) pandemic and its potential impacts on its business. The outbreak of COVID-19 continues to impact the worldwide economy. The extent to which COVID-19 impacts the Company's business will depend on future developments, which are highly uncertain and cannot be predicted, including new information that may emerge on the severity of COVID-19 and the success of efforts to contain or treat COVID-19, among other factors.

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EXHIBIT L

COMPLIANCE QUESTIONNAIRE FOR NEW FRANCHISEES/DEVELOPERS

CAJUN GLOBAL LLC
(CHURCH'S CHICKEN)
DISCLOSURE QUESTIONNAIRE

As you know, Cajun Global LLC ("we", "us", "our") and you are preparing to enter into a Franchise Agreement for the operation of a franchised Church's Chicken restaurant or a Development Agreement for the development of Church's Chicken restaurants. The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we have not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest and complete responses to each question.

1. Are you submitting this Disclosure Questionnaire in connection with:

Franchise Agreement ______ Development Agreement _______

2. Have you received and personally reviewed the Franchise Agreement or Development Agreement, as applicable, and attached exhibits?

Yes _____ No _____

3. Do you understand all of the information contained in the Franchise Agreement or Development Agreement, as applicable, and attached exhibits?

Yes _____ No _____

If no, what parts of the Franchise Agreement or Development Agreement, as applicable, do you not understand? (Attach additional pages, if necessary.)

____

____

____

____

____

____

____

4. Have you received and personally reviewed our Franchise Disclosure Document ("FDD") that was provided to you?

Yes _____ No _____

5. Did you sign a receipt for the FDD indicating the date you received it?

Yes _____ No _____

6. Do you understand all of the information contained in the FDD?

Yes _____ No _____

If no, what parts of the FDD do you not understand? (Attach additional pages, if necessary.)

____

____

____

____

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____

____

____

7. Have you discussed the benefits and risks of operating a Church's Chicken restaurant with an attorney, accountant, or other professional advisor?

Yes _____ No _____

8. Do you understand that the success or failure of your Church's Chicken restaurant will depend in large part upon your skills and abilities, competition from other restaurants, interest rates, inflation, labor and supply costs, lease terms, and other economic and business factors?

Yes _____ No _____

9. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of Church's Chicken restaurants that we or our franchisees operate?

Yes _____ No _____

10. Has any employee or other person speaking on our behalf made any statement or promise regarding the amount of money you may earn in operating the Church's Chicken restaurant?

Yes _____ No _____

11. Has any employee or other person speaking on our behalf made any statement or promise concerning the total amount of revenue the Church's Chicken restaurant will generate?[1]

Yes _____ No _____

12. Has any employee or other person speaking on our behalf made any statement or promise regarding the costs you may incur in operating the Church's Chicken restaurant that is contrary to or different from, the information contained in the FDD?

Yes _____ No _____

13. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating an Church's Chicken restaurant?

Yes _____ No _____

14. Has any employee or other person speaking on our behalf made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that we will furnish to you that is contrary to, or different from, the information contained in the FDD?

Yes _____ No _____

15. Have you entered into any binding agreement with us concerning the purchase of this franchise prior to today?

Yes _____ No _____

16. Have you paid any money to us before today?

Yes _____ No _____

---

[1] We do not make any representations or statements of actual, average, projected, or forecasted sales, profits, or earnings to franchisees with respect to our franchises. We do not give or authorize our salespersons to give you any oral or written information concerning the actual, average, projected, forecasted, or potential sales, costs, income, or profits of a franchise.

We specifically instruct our sales personnel, agents, employees, and officers that they are not permitted to make claims or statements as to the earnings, sales or profits, or prospects or chances of success, nor are they authorized to represent or estimate the dollar figures as to a franchisee's operation. We will not be bound by or be responsible for allegations of any authorized representations as to earnings, sales, profits, prospects, or chances of success.

Actual results vary from franchise to franchise, and we cannot estimate the results of a particular franchise. We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable, and consult an attorney and other advisors or your choosing before signing any agreement.

17. If you have answered "Yes" to any one of questions 10-15, please provide a full explanation of each "yes" answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered "no" to each of questions 10-15, please leave the following lines blank.

____

____

____

____

Please understand that your responses to these questions are important to us and that we will rely on them.

By signing this Questionnaire, you are representing that you have responded truthfully to the above questions.

FRANCHISEE/DEVELOPER APPLICANT

By: ____________________________________

Name: ____________________________________

Title: ____________________________________

Date: ____________________________, 20_____

EXHIBIT M

STATE-SPECIFIC ADDENDA TO DISCLOSURE DOCUMENT

Exhibit M-1

California Disclosure

SECTION 31125 OF THE CALIFORNIA CORPORATIONS CODE REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT, IN A FORM CONTAINING THE INFORMATION THAT THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

See the cover page of the disclosure document for Church's URL address. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF CORPORATIONS AT WWW.CORP.CA.GOV.

In recognition of the requirements of the California Franchise Investment Law and the California Franchise Relations Act, the Cajun Global LLC Franchise Disclosure Document for the offer of Church's Chicken franchises for use in the State of California shall be amended as follows:

The State Cover Page shall be modified as follows:

> Under our standard Development Agreement, you have a specific Development Area in which to develop one or more Restaurants. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. Please see Item 13 for additional information regarding your Development Area.

Item 3 shall be amended by the addition of the following:

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

Item 6 shall be amended by the addition of the following:

> The maximum interest rate permitted in California is 10% per annum.

Item 17 shall be amended by the addition of the following:

> California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, non-renewal and transfer of franchise agreements. If the agreements contain a provision that is inconsistent with the law, the law will control.
>
> The franchise agreements provide for termination upon bankruptcy. These provisions may not be enforceable under federal bankruptcy law (11 U.S.C.A. § 101, *et seq.*).
>
> The franchise agreements provide for application of the laws of Georgia. This provision may not be enforceable under California law.

The franchise agreements contain a choice of forum provision. This provision may not be enforceable under California law.

The franchise agreements contain a covenant not to compete that extends beyond the termination of the franchise. These provisions may not be enforceable under California law.

The franchise agreements contain liquidated damages clauses. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

You must sign a general release upon execution of the franchise agreements, if you transfer the rights granted under those agreements and if you renew your franchise. These provisions may not be enforceable under California law. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 21000 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

Exhibit M-2

Illinois Disclosure

In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 Ill. Comp. Stat. §§705/1 through 705/44, and the Rules and Regulations promulgated hereunder by the Illinois Attorney General, Ill. Admin. Code tit. 14 §§ 200.1 through 200.120, the Cajun Global LLC Franchise Disclosure Document for the offer of Church's Chicken franchises for use in the State of Illinois shall be amended as follows:

1. **Risk Factors, Cover Page.** The following statement is added at the end of the first risk factor on the cover page:

> **SECTION 4 OF THE ILLINOIS FRANCHISE DISCLOSURE ACT PROVIDES THAT ANY PROVISION IN A FRANCHISE AGREEMENT THAT DESIGNATES JURISDICTION OR VENUE IN A FORUM OUTSIDE OF ILLINOIS IS VOID WITH RESPECT TO ANY CAUSE OF ACTION THAT OTHERWISE IS ENFORCEABLE IN ILLINOIS.**
>
> The following statement is added at the end of the second risk factor on the cover page:
>
> **NOTWITHSTANDING THE FOREGOING, ILLINOIS LAW SHALL GOVERN THE FRANCHISE AND DEVELOPMENT AGREEMENTS.**

2. Item 17 shall be amended by the addition of the following:

> Any provision in the Development Agreement or the Franchise Agreement that designates jurisdiction or venue in a forum outside of Illinois is void with respect to any action that is otherwise enforceable in Illinois. In addition, Illinois law will govern the Development Agreement and the Franchise Agreement.
>
> In conformance with Section 41 of the Illinois Franchise Disclosure Act any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

3. Each provision of this Illinois Disclosure shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Illinois Disclosure.

<u>Exhibit M-3</u>

Maryland Disclosure

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the Cajun Global LLC Franchise Disclosure Document for the offer of Church's Chicken franchises for use in the State of Maryland shall be amended to include the following:

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

The Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligatiomd pans under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

2. Item 17 shall be amended by the addition of the following:

The Franchise Agreement and Development Agreement provide for termination upon bankruptcy. These provisions may not be enforceable under federal bankruptcy law.

Any provisions requiring you to sign a general release of claims against Cajun, including upon execution, transfer and renewal of the franchise agreements, does not release any claim you may have under the Maryland Franchise Registration and Disclosure Law.

Section 14-216(c)(25) of the Maryland Franchise Registration and Disclosure Law provides that any provision in a franchise agreement that requires you to file suit against Cajun in a forum outside of Maryland is void with respect to any cause of action otherwise enforceable in Maryland. A franchisee in Maryland may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

3. The Compliance Questionnaire for New Franchisees ("Compliance Questionnaire") included in the Disclosure Document shall be amended to add the following:

Section 14-226 of the Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel, or waiver of liability as a condition of purchasing a franchise. Your representations in the Compliance Questionnaire 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.

4. Each provision of this Maryland Disclosure shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Maryland Disclosure.

<u>Exhibit M-4</u>

Michigan Disclosure

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 PROVISIONS OF THE FRANCHISE AGREEMENT AND TO CURE SUCH FAILURE AFTER BEING GIVEN WRITTEN NOTICE THEREOF AND A REASONABLE OPPORTUNITY, WHICH IN NO EVENT NEED BE MORE THAN THIRTY 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 FRANCHISED BUSINESS ARE NOT SUBJECT TO COMPENSATION. THIS SUBSECTION APPLIES ONLY IF: (1) THE TERM OF THE FRANCHISE IS LESS THAN FIVE YEARS; AND (2) 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 IF THE FRANCHISEE DOES NOT RECEIVE AT LEAST SIX MONTHS ADVANCE NOTICE OF THE 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:

1. THE FAILURE OF THE PROPOSED TRANSFEREE TO MEET THE FRANCHISOR'S THEN-CURRENT REASONABLE QUALIFICATIONS OR STANDARDS.

2. THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR SUBFRANCHISOR.

3. THE UNWILLINGNESS OF THE PROPOSED TRANSFEREE TO AGREE IN WRITING TO COMPLY WITH ALL LAWFUL OBLIGATIONS.

4. 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 SUCH PROVISION HAS BEEN MADE FOR PROVIDING THE REQUIRED CONTRACTUAL SERVICES.

* * * *

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

Any questions regarding this Notice shall be directed to the Department of the Attorney General's Office, Consumer Protection Division, Attn: Franchise, 670 G. Mennen Williams Building, Lansing, Michigan 48913, (517) 373-7117.

Exhibit M-5

New York Disclosure

In recognition of the requirements of the New York General Business Law, Article 33, Section 680 through 695, and of the Codes, Rules, and Regulations of the State of New York, Title 13, Chapter VII, Section 200.1 through 201.16, the Cajun Global LLC Franchise Disclosure Document for the offer of Church's Chicken franchises for use in the State of New York shall be amended as follows:

1. The State Cover page shall be amended by the addition of the following information:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT E OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

You will not receive an exclusive territory under our standard Development Agreement.

2. Item 3 shall be amended by the addition of the following:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

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

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

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

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

3. Item 4 shall be amended by the addition of the following:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. Item 17 shall be amended by the addition of the following:

Cajun will not assign its rights under the Development Agreement or the Franchise Agreement, except to an assignee who in Cajun's good faith and judgment is willing and able to assume Cajun's obligations under the Development Agreement or the Franchise Agreement.

The New York Franchises Law requires that New York law govern any cause of action that arises under the New York Franchises Law.

The New York General Business Law, Article 33, Sections 680 through 695, may supersede any provision of the Development Agreement or the Franchise Agreement that is inconsistent with that law.

You must sign a general release upon execution and transfer of the Franchise Agreement and Development Agreement and upon renewal of the Franchise Agreement. These provisions may not be enforceable under New York law.

Cajun's right to obtain injunctive relief exists only after proper proofs are made and the appropriate authority has granted such relief.

2 Each provision of this New York Disclosure shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of New York General Business Law, Article 33, Section 680 through 695, and of the Codes, Rules, and Regulations of the State of New York, Title 13, Chapter VII, Section 200.1 through 201.16, are met independently without reference to this New York Disclosure.

Exhibit M-6

Virginia Disclosure

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Cajun Global LLC for use in the Commonwealth of Virginia shall be amended as follows:

1. **Item 17.** The following statements are added to Item 17.h.:

   Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the Development Agreement or Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Exhibit M-7

Washington Disclosure

Notwithstanding anything to the contrary set forth in the Cajun Global LLC Franchise Disclosure Document, the following provisions shall supersede and apply to all franchises offered and sold in the State of Washington:

1. The state of Washington has a statute, the Washington Franchise Investment Protection Act, RCW 19.100.180 ("Act"), which may supersede this Agreement in your relationship with Church's, including in the areas of termination and renewal of your franchise. There also may be court decisions that may supersede this Agreement in your relationship with Church's, including in the areas of termination and renewal of your franchise.

2. A release or waiver of rights executed by a franchisee will not include rights under the Act except when executed pursuant to a negotiated settlement after the Franchise Agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, and rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

3. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

4. RCW 19.100.180 may supersede the Franchise Agreement in your relationship with us, including in the areas of termination and renewal of your franchise. There also may be court decisions that may supersede this Agreement in your relationship with us, including in the areas of termination and renewal of your franchise.

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

6. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

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

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

9. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the Franchise Agreement or elsewhere are void and unenforceable in Washington.

10. The following paragraph is added to the end of Item 3 of the Franchise Disclosure Document:

> To resolve an investigation by the Washington Attorney General and without admitting any liability, the franchisor has entered into an Assurance of Discontinuance ("AOD") with the State of Washington, where the franchisor affirmed that it already removed from its form franchise agreement a provision which restricted a franchisee from soliciting and/or hiring the employees of other franchisees, which the Attorney General alleges violated Washington state and federal antitrust and unfair practices laws. The franchisor has agreed, as part of the AOD, to not enforce any such provisions in any existing franchise agreement, to not include any such provisions in future franchise agreements, to request that its Washington franchisees amend their existing franchise agreements to remove such provisions, and to notify its franchisees about the entry of the AOD. In addition, the State of Washington did not assess any fines or other monetary penalties against the franchisor.

EXHIBIT N

STATE-SPECIFIC ADDENDA TO FRANCHISE AGREEMENT

Exhibit N-1

ADDENDUM TO THE CHURCH'S CHICKEN FRANCHISE AGREEMENT
REQUIRED FOR ILLINOIS FRANCHISEES

This Addendum to the Church's Chicken Franchise Agreement dated ________________ ("Franchise Agreement") between **CAJUN GLOBAL LLC**, d/b/a Church's Chicken a Delaware limited liability company ("Church's"), and ____________________, a _____________ formed in _____________ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Franchisee was made in the State of Illinois; **(B)** Franchisee is a resident of the State of Illinois; and/or **(C)** the Franchised Restaurant will be located and/or operated, and/or all or part of the Protected Area will be located, in the State of Illinois.

2. The following sentence is added at the end of Section 27.A. of the Franchise Agreement:

> Notwithstanding the foregoing, Illinois law shall govern this Agreement.

3. The following sentence is added to the end of Section 27.B. of the Franchise Agreement:

> Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement which designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois.

4. The following sentence is added at the end of Section 27.C. of the Franchise Agreement:

> Section 27 of the Illinois Franchise Disclosure Act provides that causes of action under the Act must be brought within the earlier of: 3 years of the violation, 1 year after the franchisee becomes aware of the underlying facts or circumstances or 90 days after delivery to the franchisee of a written notice disclosing the violation.

5. The following new subsection is added to the end of Section 30 of the Franchise Agreement:

> O. Section 41 of the Illinois Franchise Disclosure Act states that any condition, stipulation, or provision purporting to bind any person requiring any franchise owner to waive compliance with any provision of this Act is void.

6. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

7. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

FRANCHISEE:

____

By: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

Exhibit N-2

ADDENDUM TO THE CHURCH'S CHICKEN FRANCHISE AGREEMENT
REQUIRED FOR MARYLAND FRANCHISEES

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the attached Cajun Global LLC Church's Chicken Franchise Agreement (the "Agreement") agree as follows:

1. The following sentence is added to the end of Sections 2.B.(2)(e) (Renewal Term), 15.C.(4) (Transfer Conditions) and 16 (General Release) of the Agreement:

> This release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. The following sentence is added to the end of Sections 3.A. (Initial Franchise Fee) of the Agreement:

> Notwithstanding the foregoing, in the State of Maryland, Church's will defer the payment of the franchise fee until the Franchised Restaurant opens for business. Upon the opening of the Franchised Restaurant, Franchisee shall pay to Church's the franchise fee.

3. The following new subsection is added to Section 27 (Governing Law, Forum, Limitations) of the Agreement:

> H. Notwithstanding any other provision of this Agreement to the contrary, Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of a Franchise.

4. The following sentence is added to the end of Section 30 (Representations) of the Agreement:

> Section 14-226 of the Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel, or waiver of liability as a condition of purchasing a franchise. Representations in this Agreement 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. The Compliance Certification is amended to include the following:

All representations requiring prospective franchisees to assent to any 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.

6. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

7. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[*SIGNATURES CONTAINED ON NEXT PAGE*]

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

FRANCHISEE:

____

By: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

Exhibit N-3

ADDENDUM TO THE CHURCH'S CHICKEN FRANCHISE AGREEMENT
REQUIRED FOR NEW YORK FRANCHISEES

This Addendum to the Church's Chicken Franchise Agreement dated ________________ ("Franchise Agreement") between **CAJUN GLOBAL LLC**, d/b/a Church's Chicken a Delaware limited liability company ("Church's"), and ____________________, a _____________ formed in _____________ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Franchisee was made in the State of New York; **(B)** Franchisee is a resident of the State of New York; and/or **(C)** the Franchised Restaurant will be located and/or operated, and/or all or part of the Protected Area will be located, in the State of New York.

2. Any provision in the Franchise Agreement that is inconsistent with the New York General Business Law, Article 33, Sections 680 – 695, may not be enforceable.

3. The following sentence is added to the end of Sections 2.B(2)(e), 15.B.(5) and 16 of the Franchise Agreement:

> Any provision in this Agreement requiring Franchisee to sign a general release of claims against Church's does not release any claim Franchisee may have under New York General Business Law, Article 33, Sections 680-695.

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

> Church's will not assign its rights under this Agreement, except to an assignee who in Church's good faith and judgment is willing and able to assume Church's obligations under this Agreement.

5. The following sentence is added to the end of Sections 17.C.(1)(i) and 27.F.:

> Church's right to obtain injunctive relief exists only after proper proofs are made and the appropriate authority has granted such relief.

6. The following is added to the end of Section 27.A. of the Franchise Agreement:

> Notwithstanding the foregoing, the New York Franchises Law shall govern any claim arising under that law.

7. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

8. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ______________________________________

Name: ____________________________________

Title: _____________________________________

Date: _____________________________________

FRANCHISEE:

____

By: ______________________________________

Name: ____________________________________

Title: _____________________________________

Date: _____________________________________

Exhibit N-4

ADDENDUM TO THE CHURCH'S CHICKEN FRANCHISE AGREEMENT REQUIRED FOR WASHINGTON FRANCHISEES

This Addendum to the Church's Chicken Franchise Agreement dated _________________ ("Franchise Agreement") between **CAJUN GLOBAL LLC**, d/b/a Church's Chicken a Delaware limited liability company ("Church's"), and _____________________, a ______________ formed in ______________ ("Franchisee") is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Franchise Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Franchisee was made in the State of Washington; **(B)** Franchisee is a resident of the State of Washington; and/or **(C)** the Franchised Restaurant will be located and/or operated, and/or all or part of the Protected Area will be located, in the State of Washington.

2. The state of Washington has a statute, the Washington Franchise Investment Protection Act, RCW 19.100.180 ("Act"), which may supersede this Agreement in Franchisee's relationship with Church's, including in the areas of termination and renewal of the franchise. There also may be court decisions that may supersede this Agreement in Franchisee's relationship with Church's, including in the areas of termination and renewal of the franchise.

3. In the event of a conflict of laws, the provisions of the Act shall prevail.

4. A release or waiver of rights executed by Franchisee shall not include rights under the Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

5. Transfer fees are collectable to the extent that they reflect Church's reasonable estimated or actual costs in effecting a transfer.

6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Development Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the Development Agreement or elsewhere are void and unenforceable in Washington.

8. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

9. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

[*SIGNATURES CONTAINED ON NEXT PAGE*]

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

FRANCHISEE:

____

By: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

EXHIBIT O

STATE-SPECIFIC ADDENDA TO DEVELOPMENT AGREEMENT

Exhibit O-1

ADDENDUM TO THE CHURCH'S CHICKEN DEVELOPMENT AGREEMENT
REQUIRED FOR ILLINOIS FRANCHISEES

This Addendum to the Church's Chicken Development Agreement dated ________________ ("Development Agreement") between **CAJUN GLOBAL LLC**, d/b/a Church's Chicken a Delaware limited liability company ("Church's"), and ____________________, a _____________ formed in _____________ ("Developer") is entered into simultaneously with the execution of the Development Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of Illinois; **(B)** Developer is a resident of the State of Illinois; and/or **(C)** all or part of the Development Area will be located, in the State of Illinois.

2. The following sentence is added at the end of Section 23.A. of the Agreement:

   Notwithstanding the foregoing, Illinois law shall govern this Agreement.

3. The following sentence is added to the end of Section 23.B. of the Agreement:

   Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action that otherwise is enforceable in Illinois.

4. The following sentence is added at the end of Section 23.C. of the Agreement:

   Section 27 of the Illinois Franchise Disclosure Act provides that causes of action under the Act must be brought within the earlier of: 3 years of the violation, 1 year after the franchisee becomes aware of the underlying facts or circumstances or 90 days after delivery to the franchisee of a written notice disclosing the violation.

5. The following sentence is added to the end of Section 25 of the Agreement:

   Section 41 of the Illinois Franchise Disclosure Act states that any condition, stipulation, or provision purporting to bind any person requiring any franchise owner to waive compliance with any provision of this Act is void.

6. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.

7. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.

[*SIGNATURES CONTAINED ON NEXT PAGE*]

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ______________________________

Name: ____________________________

Title: _____________________________

Date: _____________________________

DEVELOPER:

____

By: ______________________________

Name: ____________________________

Title: _____________________________

Date: _____________________________

Exhibit O-2

ADDENDUM TO THE CHURCH'S CHICKEN DEVELOPMENT AGREEMENT
REQUIRED FOR MARYLAND FRANCHISEES

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the attached Cajun Global LLC Church's Chicken Development Agreement (the "Agreement") agree as follows:

1. The following sentence is added to the end of Sections 4 (Development Fee) of the Agreement:

> Notwithstanding the foregoing, in the State of Maryland, Church's will defer the payment of the Development Fee until the first restaurant that Developer develop under this Agreement opens for business. Upon the opening of the first restaurant, Developer shall pay to Church's the Development Fee.

2. The following sentence is added to the end of Sections 13 (General Release) of the Agreement:

> This release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. The following new subsection is added to Section 23 (Governing Law, Forum, Limitations) of the Agreement:

> H. Notwithstanding any other provision of this Agreement to the contrary, Developer may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of a License.

4. The following sentence is added to the end of Section 25 (Representations) of the Agreement:

> Section 14-226 of the Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel, or waiver of liability as a condition of purchasing a franchise. Representations in this Agreement 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. The Compliance Certification is amended to include the following:

> All representations requiring prospective developers to assent to any 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.

6. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.

7. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.

[*SIGNATURES CONTAINED ON NEXT PAGE*]

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ______________________________

Name: ____________________________

Title: _____________________________

Date: _____________________________

DEVELOPER:

____

By: ______________________________

Name: ____________________________

Title: _____________________________

Date: _____________________________

Exhibit O-3

ADDENDUM TO THE CHURCH'S CHICKEN DEVELOPMENT AGREEMENT
REQUIRED FOR NEW YORK FRANCHISEES

This Addendum to the Church's Chicken Development Agreement dated ________________ ("Development Agreement") between **CAJUN GLOBAL LLC**, d/b/a Church's Chicken a Delaware limited liability company ("Church's"), and ____________________, a _____________ formed in _____________ ("Developer") is entered into simultaneously with the execution of the Development Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of New York; **(B)** Developer is a resident of the State of New York; and/or **(C)** all or part of the Development Area will be located, in the State of New York.

2. Any provision in the Agreement that is inconsistent with the New York General Business Law, Article 33, Sections 680 – 695, may not be enforceable.

3. The following is added to the end of Section 11 of the Agreement:

Church's will not assign its rights under this Agreement, except to an assignee who in Church's good faith and judgment is willing and able to assume Church's obligations under this Agreement.

4. The following sentence is added to the end of Sections 12.B.(5) and 13 of the Agreement:

Any provision in this Agreement requiring Developer to sign a general release of claims against Church's does not release any claim Developer may have under New York General Business Law, Article 33, Sections 680-695.

5. The following is added to the end of Section 23.A. of the Agreement:

Notwithstanding the foregoing, the New York Franchises Law shall govern any claim arising under that law.

6. The following is added to the end of Section 23.F. of the Agreement:

Church's right to obtain injunctive relief exists only after proper proofs are made and the appropriate authority has granted such relief.

7. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of New York General Business Law, Article 33, Section 680 through 695, and of the Codes, Rules, and Regulations of the State of New York, Title 13, Chapter VII, Section 200.1 through 201.16, are met independently without reference to this Amendment.

8. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.

9. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

DEVELOPER:

____

By: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

<u>Exhibit O-4</u>

ADDENDUM TO THE CHURCH'S CHICKEN DEVELOPMENT AGREEMENT
<u>REQUIRED FOR WASHINGTON FRANCHISEES</u>

This Addendum to the Church's Chicken Development Agreement dated _________________ ("<u>Development Agreement</u>") between **CAJUN GLOBAL LLC**, d/b/a Church's Chicken a Delaware limited liability company ("<u>Church's</u>"), and _____________________, a ______________ formed in ______________ ("<u>Developer</u>") is entered into simultaneously with the execution of the Development Agreement.

1. The provisions of this Addendum form an integral part of, and are incorporated into the Development Agreement. This Addendum is being executed because: **(A)** the offer or sale of a franchise to Developer was made in the State of Washington; **(B)** Developer is a resident of the State of Washington; and/or **(C)** all or part of the Development Area will be located, in the State of Washington.

2. The state of Washington has a statute, the Washington Franchise Investment Protection Act, RCW 19.100.180 ("<u>Act</u>"), which may supersede this Agreement in Developer's relationship with Church's, including in the areas of termination and renewal of the franchise. There also may be court decisions that may supersede this Agreement in Developer's relationship with Church's, including in the areas of termination and renewal of the franchise.

3. In the event of a conflict of laws, the provisions of the Act shall prevail.

4. A release or waiver of rights executed by Developer shall not include rights under the Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

5. Transfer fees are collectable to the extent that they reflect Church's reasonable estimated or actual costs in effecting a transfer.

6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Development Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the Development Agreement or elsewhere are void and unenforceable in Washington.

8. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.

9. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.

[*SIGNATURES CONTAINED ON NEXT PAGE*]

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ____________________________________

Name: __________________________________

Title: ___________________________________

Date: ___________________________________

DEVELOPER:

____

By: ____________________________________

Name: __________________________________

Title: ___________________________________

Date: ___________________________________

EXHIBIT P

CITIES WITH CERTIFIED TRAINING RESTAURANTS

CITIES WITH CERTIFIED TRAINING RESTAURANTS
AS OF April 1, 2022*

COMPANY OPERATED

Rest#	City	State
197	Weslaco	TX
423	Mission	TX
502	Slidell	LA
582	Opelousas	LA
794	Brownsville	TX
796	San Benito	TX
826	Memphis	TN
832	Plant City	FL
1109	Miami Gardens	FL
1431	McAllen	TX
1442	Brownsville	TX
1446	Orangeburg	SC
2026	Mission	TX
2054	San Juan	TX
2112	Natchez	MS
2119	Denham Springs	LA
5403	Birmingham	AL
5845	Harlingen	TX
7384	Port Isabel	TX

*Locations of the Certified Training Centers change frequently.

FRANCHISEE OPERATED

Rest#	Franchise Entity	City	State
10	Ampler Chicken, LLC	San Antonio	TX
22	Ampler Chicken, LLC	Laredo	TX
130	Terry & Karen White Enterprises, Inc.	Columbus	MS
145	Border Chicken AZ, LLC	Tucson	AZ
679	Mar-Lu Arizona, LLC	Phoenix	AZ
767	Ampler Chicken, LLC	Kingsville	TX
893	Ampler Chicken, LLC	San Antonio	TX
1212	Global Restaurant Hospitality Group, LLC	San Diego	CA
1315	Falcon Holdings, LLC	Chicago	IL
1330	Ampler Chicken, LLC	San Antonio	TX
1618	Global Restaurant Hospitality Group, LLC	Long Beach	CA
3105	Ampler Chicken, LLC	Del Rio	TX
4014	Refuel Operating Company, LLC	Cleveland	MS
5662	Bhatti, Inc.	Phoenix	AZ
7082	Pollo Del Centro, Inc.	Denver	CO
8763	Bhatti, Inc.	Goodyear	AZ
10153	Moore's Mini Marts, Inc.	Wilmington	NC
10570	Mar-Lu Nevada, Inc.	Las Vegas	NV
10613	KB Foods, Inc.	Peoria	AZ
10753	Ardent Foods, Inc.	Victorville	CA
10937	Best Chicken of El Paso LLC	Horizon City	TX

*Locations of the Certified Training Centers change frequently.

EXHIBIT Q

SUBLEASE

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT (the "Sublease") is made and entered into this ___ day of ___________ 20__, (the "Effective Date") by and between CAJUN REALTY, LLC, a Delaware corporation ("Sublessor"), and ________________, a __________ limited liability company/corporation (the "Sublessee").

W I T N E S S E T H:

WHEREAS, Sublessor is the Tenant of a certain leased property described as Church's Unit No. ____ located at ___________________________(the "Premises") pursuant to that certain Lease dated ______________ between the ____________________("Master Landlord") as Landlord, and Sublessor, as Tenant (a copy of the Master Lease is attached as Exhibit "A" and by reference made a part hereof), it being understood and agreed that the Master Lease and any current or future amendments thereto shall automatically become a part hereof by this reference; and

WHEREAS, Sublessee desires to sublease the Premises from Sublessor on the terms and conditions set forth below;

NOW, THEREFORE, for and in consideration of TEN DOLLARS ($10.00) in hand paid and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Sublessor and Sublessee hereby agree as follows:

1. Premises. Sublessor hereby demises and subleases unto Sublessee, and Sublessee hereby subleases from Sublessor, the Premises, solely for the use by Sublessee solely for the operation of a Church's Chicken restaurant and related products and services and for no other purpose whatsoever without Sublessor's prior written consent.

2. Term.

(a) Initial Term. This Sublease shall be for an initial term of _____ (__) years commencing on the Effective Date (the "Commencement Date") and expiring at midnight on the last day of the _____ year following the Commencement Date, unless earlier terminated pursuant to the terms of this Sublease or the Master Lease (the "Initial Term").

(b) [OPTIONAL] Extension Period(s). Sublessee shall have the option to extend the term of this Lease for up to ____ (__) separate option periods upon and subject to the terms set forth below in this Section 2(b). The first extension period (the "First Extension Period") shall commence at the expiration of the Initial Term. The second extension period (the "Second Extension Period) shall commence at the expiration of the First Extension Period. The First Extension Period and the Second Extension Period are sometimes referred to herein collectively as the "Extension Periods" and individually as an "Extension Period". Each Extension Period shall continue for a period of ___ (__) years from the commencement date of such Extension Period. Except as otherwise expressly provided herein, all of the terms and conditions of this Sublease applicable to the Initial Term shall continue to apply during each Extension Period. Sublessee's right to extend this Sublease shall be conditioned on Sublessee not at the time being in default of this Sublease beyond any and all applicable notice and cure periods as of the commencement of the Extension Periods. The Extension Periods shall be renewed by Sublessee upon written notification of such election not later than twelve (12) months prior to the expiration of the Initial Term. Initial Term and Extension Periods may be hereinafter referred to as "Term".

3. Master Lease. Except as modified herein, this Sublease and all of the rights of the parties hereunder are subject and subordinate to the Master Lease. Sublessee agrees to be bound by and satisfy all of the covenants, terms and conditions of the Master Lease applicable to the Premises, its occupancy thereof, and Sublessor's duties and obligations under said Master Lease applicable to the Premises. Sublessee covenants and agrees to refrain from violating or breaching any of the terms, covenants or conditions of the Master Lease or this Sublease. To the extent of any conflict between the terms of this Sublease and the Master Lease, the terms of this Sublease shall control. If the Master Lease is terminated for any reason whatsoever, this Sublease shall automatically terminate at such time.

4. Other Agreements. Sublessee agrees to comply with all of the terms and conditions of any franchise agreement, development agreement, asset purchase agreement, promissory note, guaranty, or other agreement entered into by Sublessee, any of its Affiliates (for the purposes of this Sublease, "Affiliate" shall mean any individual, group, association, limited or general partnership, corporation or other business entity which directly or indirectly controls the Sublessee, is controlled by, or is under common control with the Sublessee, or which directly or indirectly owns, controls, or holds power to vote ten percent (10%) or more of the outstanding voting securities of Sublessee, or which has in common one or more partners, officers, directors, trustees, branch managers, or other persons occupying similar status or performing similar functions), predecessors, or successors and Sublessor or any of its Affiliates, predecessors, or successors. To the extent that any insurance requirements, record or bookkeeping requirements, or any other requirements in the above-described franchise, development, or other agreements require more from the Sublessee than the respective provisions of this Sublease, than the provisions of said franchise, development, and other agreements shall supersede and control.

5. Rent.

(a) Beginning on the Commencement Date, Sublessee shall pay to Sublessor fixed rent ("Base Rent") for each year of the Lease Term, to be due and payable without prior demand, offset or deduction whatsoever, in monthly installments in advance on the first day of each month during the Lease Term in accordance with the Rider to Sublease Agreement, attached hereto and made a part hereof. In addition, Sublessee shall be responsible for any state sales tax and shall directly to the respective governmental authority. If this Lease shall commence on any day other than the first day of a calendar month, the monthly installment for the first and last month of the Lease Term shall be prorated. Beginning on the Rent Commencement Date, Sublessee shall, in addition to Base Rent (as defined below), pay to Sublessor on or before the due date therefor, all sums whether or not required to be paid by Sublessor under the Master Lease, to the extent related to the Premises, including without limitation Sublessor's share of Common Area Expenses, if any, (as defined in the Master Lease), charges, costs, expenses, and sums, whether such sum is due the Master Landlord, a third party, or to reimburse the Master Landlord for taxes, property taxes, operating expenses, charges for water, sewer taxes, assessments, common area maintenance charges or other charges, costs, expenses, and sums incurred in connection with the Premises (collectively, "Additional Rent"), (Base Rent and

Additional Rent (defined below), shall be referred to collectively as "Rent"). Any separately invoiced Rent shall be paid to Sublessor no later than: five (5) days prior to the date upon which Sublessor's payment of such Additional Rent is due, or ten (10) days after Sublessee shall have received a notice referencing the Additional Rent due (the notice shall be accompanied by a copy of the original invoice). All Rent payments shall be made payable to Sublessor at the following address:

If by US Mail or
Courier Delivery: **Cajun Realty LLC**
Attn: Accounts Receivable
980 Hammond Drive, Suite 1100
Atlanta, GA 30328
Unit #: _____

or to such other address as may be designated in writing by Sublessor; provided that, upon Sublessee's receipt of written notice from the Master Landlord that an Event of Default (as defined in the Master Lease) on the part of Sublessor has occurred under the Master Lease, Sublessee shall deliver all Rent as directed by Master Landlord from time to time, and further provided that, by giving such notice, Master Landlord shall NOT be deemed to have assumed any obligations of Sublessor under this Sublease, and all notices or other communications should still be made in the manner provided in this Sublease. Sublessee's covenant to pay Rent shall be independent of every other covenant in this Sublease. If Rent is not paid according to the terms of this Sublease, it shall be subject to the late fee, interest, and other terms and conditions, specified in the Master Lease.

6. Additional Obligations of Sublessee. Notwithstanding any other provisions in this Sublease or the Master Lease, Sublessee shall be responsible for the following:

(a) Paying for all Real Estate Taxes and sales taxes applicable to the Premises as Additional Rent as provided in Section 5 herein;

(b) Performing or causing to be performed all major and structural Repairs related to the Premises pursuant to the provisions of Section 9 herein;

(c) Maintaining or causing to be maintained certain insurance against physical loss or damage to the Premises and against consequential losses arising from physical loss or damage to the Premise pursuant to Sections 10, 13 and 14 herein;

(d) The repair, replacement or rebuilding of the Premises, to the extent the Premises are damaged or destroyed by fire or other casualty, pursuant to Sections 10, 13 and 14 herein;

(e) The repair or reconstruction of the Premises, to the extent that the Premises have been subject to the taking as a result of condemnation or eminent domain, pursuant to Section 14 herein; and,

(f) For making all major and structural Repairs relating to the Building.

7. Condition of Premises. Sublessee acknowledges that it has had access to the Premises prior to the execution of this Sublease and has had the opportunity to perform all tests, studies, inspections and investigations (including, without limitation, any investigations regarding zoning and use issues regarding the Premises) that it desires, and that Sublessee is accepting the Premises in its "AS IS" condition existing on the date the Sublessee executes this Sublease. Sublessee acknowledges that it has been afforded the right and opportunity to investigate whether or not the Premises is in compliance with all local, state and federal laws, codes, rules and regulations now in existence or hereafter promulgated, including without limitation, the Americans with Disabilities Act of 1990 as amended, and applicable building and fire codes (collectively, "Laws"). Sublessee hereby accepts the Premises in its condition as of the Effective Date hereunder, subject to all applicable zoning, municipal, county and state laws, ordinances and regulations, including private easements and restrictions, governing and regulating the Premises, whether or not of record, and accepts this Lease subject thereto. The taking of possession of the Premises by Sublessee shall be conclusive evidence that the Premises were in good order and satisfactory condition when possession was taken, and were suitable for the use intended.

8. Right of Access. In addition to the rights granted to Master Landlord under the Master Lease, Sublessor and its respective agents and designees, shall have the right to enter the Premises at all reasonable times to inspect the Premises, or to repair or perform any maintenance it considers necessary, or to determine whether Sublessee is complying with this Sublease. Nothing in this section shall imply or impose any duty or obligation upon Sublessor to enter the Premises at any time for any purpose, or to inspect the Premises or perform, or pay for, any work, and Sublessor has no such duty or obligation.

9. Repairs, Improvements and Alterations. From the Effective Date herein and continuing throughout the Term of this Sublease, Sublessee, at its sole cost and expense, shall maintain the Premises and each part thereof, in good order and condition, ordinary wear and tear and damage by casualty excepted (such obligations shall include, without limitation, the obligation to maintain all areas inside and outside of the Building, structural and non-structural (including all mechanicals, electrical, plumbing and HVAC systems, all sidewalks, driveways, landscaping, trash enclosures, and trash compacting and loading areas on the Premises), in a neat and clean condition, and ensuring that debris from the operation of the restaurant on the Premises are cleaned on a regular basis) and, subject to the terms and conditions of the Section 9, shall make any necessary Alterations thereto, interior and exterior, whether extraordinary, major or minor, structural or nonstructural, foreseen or unforeseen but subject to the casualty and condemnation provisions of this Lease. When used in this Section 9, the term "Alterations" shall include all such replacements, renewals, alterations, additions and betterments necessary for Tenant to properly maintain the Demised Property in good order and condition and in compliance with all applicable laws. The adequacy of any and all Repairs to the Demised Property required or conducted pursuant to this section and the Master Lease.

All Alterations shall be subject to the prior written consent of Sublessor, whose consent shall not be unreasonably withheld. If Alterations are permitted and consented to as described above, Sublessee shall comply with all of the terms and conditions and covenants of this Section 9 and the Master Lease pertaining to the performance of such Alterations and shall indemnify, defend and hold harmless Sublessor and Master Landlord against liability, loss, cost, damage, liens and expense imposed upon Sublessor or Master Landlord arising out of the performance of such Alterations by Sublessee.

(a) Any and all Alterations, modifications and/or improvements to the Premises, including any drive-through (now existing or to be constructed) shall comply with all applicable laws, zoning, municipal, county and state laws, approvals, ordinances and regulations, including private easements and restrictions, governing and regulating the Premises. Such Alterations shall not result in the Premises being in violation of any agreement, restriction, covenant, judgment, decree, mortgage, or lease by which Sublessor or the Premises is bound. In addition, any and all Alterations, modifications and/or improvements shall not encroach upon any set back line, property line or easement, and there shall be no encroachments or projections by any structures onto, under or from the Premises.

(b) Upon completion of any and all Alterations, modifications and/or improvements to the Premises Sublessee shall deliver to Sublessor a certification in form and substance acceptable to Sublessor, issued by the general contractor who constructed the Alterations, modifications and/or improvements to the Premises, that (A) the Alterations, modifications and/or improvements have been constructed and/or installed in accordance with the Plans, (B) the Alterations, modifications and/or improvements complies with all approvals, applicable building codes, applicable laws, zoning, municipal, county and state laws, ordinances and regulations, including private easements and restrictions, governing and regulating the Premises and any other governmental requirements including, but not limited to the American's With Disability Act, as amended; and (C) the Alterations, modifications and/or improvements contain no asbestos.

10. Insurance.

10.1 Sublessee's Insurance. At its own expense, Sublessee shall obtain and continue in force the following insurance policies, or any other insurance policies to be carried by Sublessor under the Master Lease, and such insurance shall name Sublessor, as well as Master Landlord, and other entities in the manner required therein:

(i) Property insurance for damage to the Premises, including Sublessee's leasehold improvements in an amount at least equal to one hundred percent (100%) of the full replacement cost thereof (exclusive of the cost of excavations, foundations and footings) under an ISO Causes of Loss – Special Form policy, or its equivalent. If the property is prone to geological phenomenon such as earthquakes or is located in flood zone A/V, tenant must purchase insurance to cover such risks.

(ii) Commercial general liability insurance, or its equivalent, with a combined single limit for bodily injury, death and property damage of not less than $2,000,000 in the aggregate and $1,000,000 for any particular incident. Sublessee shall review its liability policy limits at least every 5 years to ensure that the same are standard for similar operations.

(iii) Sublessee shall, at Sublessee's expense, obtain and keep in force during the term of this Lease a policy of Business Interruption insurance covering a period of not less than six (6) months. This insurance shall also cover at least six (6) month's sublease rent amount.

(iv) Sublessee shall, at Sublessee's expense, obtain and keep in force during the term of this Lease a worker's compensation policy, insuring against and satisfying Sublessee's obligations and liabilities under the worker's compensation laws of the state in which the Premises are located, including Employer's Liability insurance, in an amount not less than that which is required by applicable law.

10.2 Evidence of Insurance. Sublessee shall deliver only to the Sublessor certificates evidencing said policy or policies of insurance prior to the date of any use or occupancy of the Premises by Sublessee and thereafter (after annual renewal). Sublessee's general liability policy shall name Sublessor, Master Landlord and its designees as additional insureds. Sublessee's property policy shall name Sublessor and its Lender as loss payee. Sublessor shall be the sole certificate holder.

10.3 Blanket Policies. Sublessee may, at its option, bring its obligations to insure under this Section within the coverage of any so-called blanket policy or policies of insurance that it may now or hereafter carry, by appropriate amendment, rider, endorsement or otherwise; provided, however, that the interests of Sublessor shall thereby be as fully protected as they would be otherwise if this option were not permitted.

10.4 Waiver of Claims. Anything in this Lease to the contrary notwithstanding, Sublessor and Sublessee each hereby waives any and all rights of recovery, claim, action or cause of action against the other for any loss or damage that may occur to the Premises or any improvements thereto, or any personal property of Sublessor or Sublessee, arising from any cause that is insured against, and for which insurance proceeds are actually paid the claimant, under the terms of any property insurance actually carried, regardless of whether the same is required hereunder. The foregoing waiver shall apply regardless of the cause or origin of such claim, including but not limited to the negligence of a party, or such party's agents, officers, employees or contractors. The foregoing waiver shall not apply if it would have the effect, but only to the extent of such effect, of invalidating any insurance coverage of Sublessor or Sublessee. The foregoing waiver shall also apply to any deductible, as if the same were a part of the insurance recovery.

10.5 Insurance Company Requirement. Insurance required by this Lease shall be issued by companies holding a general policyholder's rating of at least "A" as set forth in the most current issue of Best's Insurance Guide and authorized to do business in the State in which the Premises are located. If this publication is discontinued, then another insurance rating guide or service generally recognized as authoritative shall be substituted by Sublessor.

10.6 Insurance Certificate Requirements. Sublessee shall deliver to Sublessor, and no other party other than Sublessor, a property certificate naming Sublessor as loss payee and liability certificate naming Sublessor as additional insured. No policy shall be cancelable or subject to reduction of coverage or other modification except after thirty (30) days prior written notice to Sublessor. Sublessee's obligations for all such insurance policies shall be applicable from and after the Commencement Date; it being expressly provided that Sublessee shall not be responsible for any insurance during the time from the Effective Date of this Lease up until the Commencement Date, i.e., during the construction phase of the improvements to the Premises being made directly by Sublessor. Sublessor shall either obtain or shall cause its own general contractor to obtain and maintain all insurance during the construction phase, including, without limitation, general liability, builder's risk, including insurance against damage, loss or theft of materials delivered to the construction site and not yet installed in the Premises and also furniture, fixtures and equipment that may from time to time be delivered to the construction site and received by Sublessor (or its contractor), whether or not permanently installed, together with business interruption insurance to the extent available in the state in which the Premises are located, together with FEMA flood insurance if the Premises will be located in a flood zone A or AE.

11. Insurance Escrow. Sublessor reserves the right, at any time and for any reason or no reason at all, to require Sublessee to make its insurance payments, as required under the Sublease, in advance with each Period insurance payment into an escrow account held by the Sublessor. The amount of each Period escrow payment shall be determined by a good faith estimate of the Sublessor, based upon the insurance history of the Premises. Sublessor shall send Sublessee written notice of its intention to impose this escrow requirement, including the amount of the required Period payments at least fifteen (15) days prior to the first required escrow payment by Sublessee. Sublessee shall then begin paying estimated amounts ("Sublessee's Insurance Payments") for each Period, in advance, on or before the first day of each Period, together with Sublessee's payment of Rent, and Sublessee's Insurance Payments shall be deemed Additional Rent hereunder. Sublessor may reasonably adjust Sublessee's Insurance Payments from time to time during the Term. Sublessor shall provide Sublessee with an annual statement showing Sublessee's Insurance Payments and the amount of Sublessee's actual obligation for insurance for the calendar year. If the statement shows that Sublessee's Insurance Payments were less than Sublessee's actual obligation for insurance, Sublessee shall pay the difference with its next payment of Rent (or if the Sublease is scheduled to expire, or has expired, and no further Rent is due, Sublessee shall immediately pay the difference to Sublessor, and payment of the amount owing shall be a precondition to the expiration of the Sublease). If the statement shows that Sublessee's Insurance Payments exceeded Sublessee's actual obligation for insurance, Sublessee shall receive a credit for the difference against its next payment of Rent due. If the Sublease is scheduled to expire, or has expired, and no further Rent shall be due, Sublessor shall refund such difference when Sublessor sends the statement; provided, however, Sublessor shall have no obligation to return any difference to the Sublessee if this Sublease is terminated as a result of Sublessee's default under the Sublease.

12. Assignment and Subletting. Sublessee shall not (i) assign, mortgage or otherwise convey this Sublease or any interest under it; (ii) allow any transfer thereof or any lien upon Sublessee's interest by operation of law; (iii) sublet the Premises or any part thereof; or (iv) permit the occupancy of the Premises or any part thereof by anyone other than Sublessee (any and all of the above-described conveyances of the Premises, or any interest(s) therein, shall be collectively referred to in this Sublease as a "Transfer"). Any Transfer by Sublessee shall be subject to and made pursuant to the terms and conditions of the Master Lease, including but not limited to any provisions thereof requiring the prior written consent of the Master Landlord. Additionally, Sublessee shall be required to obtain Sublessor's prior written consent to any Transfer, and Sublessor's consent may be withheld in its sole discretion. Any cost of obtaining Master Landlord's consent or Sublessor's consent shall be borne by Sublessee. No permitted Transfer shall be effective unless and until any default by Sublessee hereunder shall have been cured. No Transfer shall relieve Sublessee from Sublessee's obligations and agreements hereunder and Sublessee shall continue to be liable as a principal, not solely as a guarantor or surety, to the same extent as though no Transfer had been made. Attempted Transfers in violation hereof shall be null, void, and of no force and effect and shall constitute a default of the Sublease.

13. Casualty.

13.1 Casualty; Continuation of Obligations. If any loss, theft, damage to, or destruction of, any of the Premises from any cause whatsoever (a "***Casualty***") occurs, whether or not covered by insurance, Sublessee will promptly give Sublessor written notice of the Casualty, generally describing the nature and extent of the Casualty. No Casualty shall relieve Sublessee of any of its obligations under this Lease or the other Lease Documents, including its obligations to make the regularly scheduled payments of Rent under this Lease.

13.2 Adjustment of Losses. Sublessor, at Sublessor's option and in Sublessor's sole discretion, shall settle, adjust, or compromise any claim for loss or damage in connection with any Casualty.

13.3 Restoration Obligation. Promptly following the occurrence of a Casualty, Sublessee shall, at Sublessee's expense, commence and diligently complete the repair, restoration, replacement, and rebuilding of the Premises as nearly as possible to its value, condition and character immediately prior to the Casualty (a "Restoration"). Sublessee shall not be excused from repairing or maintaining the Premises or from Sublessee's Restoration obligation, regardless of whether there are Insurance Proceeds (as defined below) available to Sublessee or whether any such Insurance Proceeds are sufficient in amount, and the application or release by Sublessor of any Insurance Proceeds shall not cure or waive any default or notice of default under this Lease or the other Lease Documents or invalidate any act done pursuant to such default or notice of default.

13.4 Application of Insurance Proceeds. All proceeds of insurance with respect to any Casualty (the "Insurance Proceeds") shall be payable to Sublessor, and Sublessee authorizes and directs any affected insurance company to make payment of the Insurance Proceeds directly to Sublessor. If Sublessee receives any Insurance Proceeds relating to such Casualty, Sublessee shall promptly pay over such proceeds to Sublessor. If no Default has occurred and is continuing, the Insurance Proceeds, less the costs, fees and expenses incurred by Sublessor and Sublessee in the collection thereof, including adjuster's fees and expenses and reasonable attorneys' fees and expenses (the "***Net Insurance Proceeds***"), shall be made available to Sublessee as follows:

(i) If the Net Insurance Proceeds are less than $50,000, the Net Insurance Proceeds shall be paid to Sublessee and applied by Sublessee toward the cost of the Restoration; and

(ii) If Net Insurance Proceeds are $50,000 or greater, then the Net Insurance Proceeds shall be held and disbursed by Sublessor may from time to time direct, as the Restoration progresses, to pay or reimburse Sublessee for the cost of the Restoration, upon written request of Sublessee accompanied by evidence, reasonably satisfactory to Sublessor, that: (A) the Restoration is in compliance with all Applicable Law and all private restrictions and requirements; (B) the amount requested has been paid or is then due and payable and is properly a part of such cost; (C) there are no mechanics' or similar Liens for labor or materials previously supplied in connection with the Restoration; (D) if the estimated cost of the Restoration exceeds the Net Insurance Proceeds (exclusive of proceeds received from Sublessee's business income insurance), Sublessee has deposited into an escrow satisfactory to Sublessor such excess amount, which sum will be disbursed pursuant to escrow instructions satisfactory to Sublessor; and (E) the balance of such Net Insurance Proceeds, together with the funds deposited into escrow, if any, pursuant to the preceding subsection, after making the payment requested, will be sufficient to pay the balance of the cost of the Restoration. Upon receipt of Sublessor of evidence reasonably satisfactory to it that the Restoration has been completed and the cost thereof paid in full, and that there are no mechanics' or similar Liens for labor or materials supplied in connection therewith, the balance, if any, of such Net Insurance Proceeds shall be retained by Sublessor.

All such work to be performed under this Section 13 shall be performed in accordance with the standards and requirements for Alterations set forth herein and in Article XII of the Master Lease. It is agreed, that Base Rent and Additional Rent required to be paid by Sublessee hereunder shall not abate as a result of any casualty.

14. Condemnation.

(a) Condemnation Damages. In the event of the taking or conveyance of the whole or any part of the Premises by reason of condemnation, eminent domain, appropriation, annexation, or taking or sale in lieu thereof, by any public or quasi-public body (**"Condemnation"**), Fee Owner, Sublessor and Sublessee shall represent themselves independently in seeking damages before the condemning body. Neither fee owner nor Sublessor shall agree to any settlement in lieu of Condemnation with the condemning authority without Sublessee's consent. If a party to this Lease receives notice of any proposed or pending Condemnation affecting the Premises, such party shall promptly give notice to the other party. Sublessor or fee owner shall be entitled to all such awards attributable to the value of the real estate and improvements thereon. Sublessee shall be entitled to all such awards attributable to the value of its lost remaining leasehold interest, and all compensation paid specifically for business damages and any special damages suffered by it as a result of said Condemnation. Neither Sublessor nor fee owner shall make a claim in such proceedings for any of the following: (i) a sum attributable to Sublessee's leasehold improvements or alterations made to the Premises by Sublessee in accordance with this Lease, which improvements or alterations Sublessee has the right to remove from the Premises upon the termination of the Lease pursuant to the provisions of this Lease, but elects not to remove, (ii) any portion of the award attributable to Sublessee's furniture, trade fixtures, and equipment installed in the Premises in accordance with this Lease which are to remain in the Premises as a result of such taking, or (iii) loss due to removing Sublessee's merchandise, furniture, trade fixtures, and equipment or for damage to Sublessee's business, moving expenses, and/or loss of business.

(b) Total Permanent Condemnation. In the event of a Condemnation of the entire Premises by reason of condemnation, eminent domain, appropriation, annexation, or taking or sale in lieu, this Lease shall terminate as of the date of such Condemnation. As of such date all obligations between Sublessor and Sublessee shall cease including rent and other charges.

(c) Partial Permanent Condemnation. In the event that a partial Condemnation, that affects the use of the Premises to the extent that, as a result of such Condemnation (and excluding other causes), (i) Sublessee's gross revenue from same is reduced on an annual basis by at least twenty-five percent (25%) of Sublessee's gross revenue immediately prior to such Condemnation, or (ii) Sublessee is actually unable to continue the use of the Premises in accordance with this Lease, or (iii) in the event the Premises, or any material part thereof, including any portion of the drive-through lanes, the "circulation lanes" leading to the "drive-through" lanes, or the "pass-through" lanes around the "drive-through" lanes, any easements for access, driveways, twenty-five percent (25%) or more of the frontage or parking spaces, detention, utilities or other purposes which serve the Premises (unless reasonable substitute easements are provided by Sublessor so as not to unreasonably interfere with service provide by such easements), or any streets or highways leading to the Premises shall be appropriated or closed for any public use by virtue of eminent domain or condemnation proceeding, or by reason of any law or ordinance, or by court decree, whether by consent or otherwise, or by any deed in lieu of any such taking, or any other item or portion of the Premises that results in the balance of the Premises not suitable for Sublessee's use in its sole discretion, then Sublessee shall have the right to terminate this Lease by giving Sublessor sixty (60) days' written notice of its intention to terminate this Lease within sixty (60) days of such taking. The effective date of the termination shall be sixty (60) days after the date on which Sublessor receives Sublessee's notice of termination. In the event of a Condemnation pursuant to this Section 14.3 and Sublessee elects not to terminate this Lease, Sublessee shall be entitled to a reduction of Base Rent in the same proportion as the reduction of the Premises caused by the Condemnation.

(d) Total Temporary Condemnation. In the event of a Condemnation of the entire Premises or, in the judgment of Sublessee, a substantial portion as would render the balance of the Premises not suitable for Sublessee's use, for a period of twelve (12) months less, the Lease shall toll from the time the Premises is surrendered to the condemning authority and recommence when possession is restored to Sublessee. Sublessee shall be entitled to an abatement of the Rent from the time the Premises are surrendered until possession is restored. If such taking shall extend beyond such twelve (12) month period, the taking shall, at the option of Sublessee, be considered permanent and Sublessee shall have all its rights, including the right to terminate this Lease as provided in this Section 14.

(e) Partial Temporary Condemnation**.** In the event of a Condemnation of less than the entire Premises or, in the judgment of Sublessee, not such a substantial portion and Sublessee is able to continue its use of the balance of the Premises for Sublessee's use, for a period of twelve (12) months or less, Sublessee shall be entitled to the entire award granted for the fee owner, Sublessor and Sublessee. In consideration of such entire award, Sublessee shall not be entitled to any reduction or abatement of Rent or other charges payable by Sublessee under the Lease.

(f) General. Should Sublessor and Sublessee be unable to agree as to the division of any single award or the amount of any reduction of rents and other charges payable by Sublessee under the Lease, such dispute shall be submitted for resolution to the court exercising jurisdiction of the condemnation proceedings, each party bearing its respective costs for such determination. Sublessor shall not agree to any settlement in lieu of condemnation with the condemning authority without Sublessee's consent.

Sublessor represents and warrants that at the Effective Date it has no actual or constructive knowledge of any proposed condemnation of any part of the Premises. In the event that subsequent to the Effective Date, but prior to the Commencement Date, a total or partial condemnation, either permanent or temporary, is proposed by any competent authority, Sublessee shall be under no obligation to commence or continue construction of the building and other improvements, and rent and other charges, if any, payable by Sublessee under the Lease shall abate until such time as it can be reasonably ascertained that the Premises shall not be so affected. In the event the Premises is so affected, Sublessee shall be entitled to all rights, damages and awards pursuant to the appropriate provisions of this Section 14.

15. Surrender of Premises. Upon expiration, or earlier termination, of this Sublease, Sublessee shall peacefully surrender possession of the Premises to Sublessor in the same condition as existed on the Commencement Date, except for ordinary wear and tear, or if Sublessor shall request, in the condition required by the Master Lease. All Alterations made by Sublessee shall become a part of and shall remain upon the Premises upon expiration, or earlier termination of, the Sublease, without compensation, allowance or credit to Sublessee; provided however, that Sublessor shall have the right to require Sublessee to remove any, or all, Alterations in or upon the Premises. Said right shall be exercisable by Sublessor upon giving written notice thereof to Sublessee on or before twenty (20) days after the expiration, or earlier termination, of the Sublease. Any sums which may be due from Sublessee under this Sublease or the Master Lease shall be paid to Sublessor prior to Sublessee vacating the Premises. Upon the expiration, or earlier termination, of the Sublease, Sublessee shall remove Sublessee's Restaurant Equipment, as defined in the Master Lease; provided, however, that Sublessee shall repair any injury or damage to the Premises which may result from such removal, and shall restore the Premises to the same condition as prior to the installation thereof. If Sublessee does not remove Sublessee's Restaurant Equipment from the Premises prior to the expiration, or earlier termination, of the Sublease, Sublessor may, in its sole discretion, remove the same (and repair any damage occasioned thereby and restore the Premises as aforesaid) and dispose thereof or deliver the same to any other place of business of Sublessee, or warehouse the same, and Sublessee shall pay the cost of such removal, repair, restoration, delivery or warehousing to Sublessor on demand, or Sublessor may treat said Restaurant Equipment as having been conveyed to Sublessor with the Sublease as a Bill of Sale, without further payment or credit by Sublessor to Sublessee. If Sublessee is in default of this Sublease, Sublessor may require Sublessee to abandon its Restaurant Equipment in the Premises as security for said default, and Sublessee hereby agrees that Sublessor shall have a lien on said Restaurant Equipment in such circumstances. Sublessee shall surrender to Sublessor all keys to the Premises and make known to Sublessor the combination of all combination locks which Sublessee is permitted to leave on the Premises.

16. Holding Over. Sublessee shall have no right to occupy the Premises or any portion thereof after the expiration, or earlier termination, of this Sublease or of Sublessee's right to possession of the Premises. In the event Sublessee or any party claiming by, through or under Sublessee holds over, Sublessor may exercise any and all remedies available to it at law or in equity to recover possession of the Premises, and to recover damages from the Sublessee, including without limitation, damages payable by Sublessor to Master Landlord by reason of such holdover. For each and every Period or partial Period that Sublessee or any party claiming by, through or under Sublessee remains in occupancy of all or any portion of the Premises after the expiration, or earlier termination, of this Sublease or Sublessee's right to possession, Sublessee shall pay, as liquidated damages and not as a penalty, rental for the Period at a rate equal to one hundred fifty percent (150%) of the Rent payable by Sublessee hereunder immediately prior to the expiration, or other termination, of this

Sublease or of Sublessee's right to possession. The acceptance by Sublessor of any lesser sum shall be construed as payment on account and not in satisfaction of damages for such holding over.

17. Default by Sublessee, Remedies. It is mutually agreed that, in the event Sublessee shall default in the payment of base rental or additional rent as herein set forth, when due, and fails to cure said default within five (5) days after receipt of written notice thereof from Sublessor; or, if Sublessee shall be in default in performing any of the terms or provisions of this Sublease or the Master Lease other than the provision requiring the payment of rent and fails to cure such default within fifteen (15) days (unless a shorter period is imposed under the Master Lease) after the date of receipt of written notice of default from Sublessor; or, if Sublessee abandons or vacates the Premises during the Term; or, if Sublessee or any of its Affiliates, predecessors, or successors shall be in default of, or there shall have occurred an event of default under, any franchise agreement, development agreement (except for failure to meet the development schedule thereunder), asset purchase agreement, promissory note, guaranty, security agreement, any other lease or sublease or any other agreement entered into by any of them and Sublessor or any Affiliate, predecessor, or successor to Sublessor; or, if Sublessee is adjudicated bankrupt; or, if a permanent receiver, trustee, or debtor-in-possession is appointed for Sublessee's property and such receiver is not removed within thirty (30) days after written notice from Sublessor to Sublessee to obtain such removal; or if, whether voluntarily or involuntarily, Sublessee takes advantage of any debtor relief proceedings, including arrangements under Chapter 11 of the U.S. Bankruptcy Act under any present or future law, Federal or State, whereby the rent or any part thereof is deferred; or, if Sublessee makes an assignment for benefit of creditors; or if Sublessee's effects should be levied upon or attached under process against Sublessee, not satisfied or dissolved within thirty (30) days after written notice from Sublessor to Sublessee to obtain satisfaction thereof; then, and in any of said events, Sublessor, at its option, may do or perform any one or more of the following, in addition to and not in limitation of any other remedy permitted by law, in the Master Lease or in this Sublease:

(a) terminate this Sublease by written notice to Sublessee; whereupon this Sublease shall end. Upon such termination by Sublessor, Sublessee will at once surrender possession of the Premises to Sublessor and remove all of Sublessee's effects therefrom; and Sublessor may forthwith re-enter the Premises and repossess itself thereof, and remove all persons and effects therefrom, using such force as may be necessary without being guilty of trespass, forcible entry or detainer or other tort; and/or

(b) without terminating this Sublease, may, at Sublessor's option, enter upon and take possession and rent the Premises at the best price obtainable by reasonable effort, without advertisement and by private negotiation and for any term that Sublessor deems proper. Sublessee shall be liable to Sublessor for the deficiency, if any, between Sublessee's rent hereunder and the net price obtained by Sublessor on reletting, and all costs and expenses incurred by Sublessor in reletting; and/or

(c) without terminating this Sublease, declare the entire amount of Base Rent and Additional Rent which would become due and payable during the remainder of the term of this Sublease to be due and payable immediately which total amount shall be discounted to its present value (discounted at a rate equal to 8% per annum); in which event, Sublessee agrees to pay the same at once; provided, however, that such payment shall not constitute a penalty or forfeiture or liquidated damages, but shall merely constitute payment in advance of the rent for the remainder of said term. Upon making such payment, Sublessee shall receive from Sublessor all base rental and additional rents as they are received by Sublessor from any other Sublessee of the Premises until the expiration date of this Sublease; provided, however, that the monies to which Sublessee shall become entitled shall in no event exceed the entire amount payable by Sublessee as provided in this subparagraph (c) less all costs expenses and attorney's fees of Sublessor incurred in connection with the reletting of the Premises. In the event Sublessee shall fail promptly to pay to Sublessor the accelerated Base Rent and Additional Rent provided for herein, Sublessor may pursue an action at law or in equity to recover such amount from Sublessee, and Sublessee shall be liable for all costs and expenses (including court costs and attorneys' fees) incurred by Sublessor in pursuing such action.

Upon the occurrence of any such event of default, Sublessor, in addition to any other remedies available to Sublessor at law or in equity or elsewhere hereunder, shall have the right to pursue any of the remedies afforded the Master Landlord under the Master Lease.

18. Default by Sublessor. In the event of Default under the Master Lease, Master Landlord may elect, in its sole discretion to either (i) accept the terms of the Sublease as a lease between Master Landlord and Sublessee, or (ii) terminate the Sublease, whereby Sublessee shall agree to attorn to Master Landlord by executing a new lease for the then-remaining term of the Sublease, with all extension options and other right and options set forth therein, and otherwise on terms that integrate, in Master Landlord's reasonable discretion, the terms of the Individual Lease Agreement and the terms of the Supplemental Agreement (and that omit any reference to, or use of, the Replacement Options Letter), such that (a) all of the contractor's obligations under the Supplemental Agreement with respect to the applicable Subleased Premises become the Sublessee's obligations under such lease, (b) Master Landlord is relieved of all such obligations in the lease, and (c) base rent under such new lease is reasonably determined by Master Landlord based on the MAI fair market rental value appraisal of the applicable Subleased Premises, obtained by Master Landlord at Sublessee's expense.

19. Sublessor's Obligations. Subject to Sublessee's performance of its obligations hereunder, Sublessor shall perform and discharge all of the duties and obligations of the Tenant under the Master Lease in the manner and within the time limits required thereunder; provided however that Sublessor shall not be responsible to perform those covenants and obligations under the Master Lease which require possession of the Premises for their performance or which are otherwise required to be performed by Sublessee on behalf of Sublessor.

20. Indemnification

20.1 Indemnification of Sublessor. Sublessee shall indemnify, defend, and protect Sublessor, its agents and employees and hold Sublessor, its agents and employees harmless from any and all loss, cost, damage, expense, liability (including, without limitation, court costs and reasonable attorneys' fees) incurred in connection with or arising from any cause whatsoever in or about the Premises after the Commencement Date or such earlier date as Sublessee may assume occupancy of the Premises, other than damages proximately caused by reason of the gross negligence or willful misconduct of Sublessor or its agents and employees, including, without limiting the generality of the foregoing: (i) any default by Sublessee in the observance or performance of any of the terms, covenants, or conditions of this Lease on Sublessee's part to be observed or performed; (ii) the use or occupancy of the Premises by Sublessee or any person claiming by, through, or under Sublessee; (iii) the condition of the Premises or any occurrence or happening on the Premises from any cause whatsoever, or (iv) any acts, omissions, or negligence of Sublessee or any person claiming by, through, or under Sublessee, or of the contractors, agents, servants, employees, visitors, or licensees of Sublessee or any such person, in, on, or about the Premises, during the Lease term (including, without limitation, the period between the Commencement Date and the Rent Start Date and any holdovers), including, without limitation, any acts, omissions, or negligence in the making or performance of any alterations. Sublessee further agrees to indemnify and hold harmless Sublessor, Sublessor's agents and employees, and the Sublessor or Master Landlord under all ground or underlying leases, from and against any and all loss, cost, liability, damage, and expense (including, without limitation, reasonable attorneys' fees actually incurred on an hourly basis and not as a mere percentage of the amount claimed) actually incurred in connection with or arising from any claims by any persons by reason of injury to persons or damage to property occasioned by any use, occupancy, condition, occurrence, happening, act, omission, or negligence referred to in the preceding sentence. The provisions of this Section shall survive the expiration or sooner termination of this Lease with respect to any claims or liability occurring prior to such expiration or termination, and shall not be limited by reason of any insurance carried by Sublessor and Sublessee. In any event, Sublessor shall not be liable for and Sublessee shall indemnify and hold Sublessor harmless from any loss, cost, damage, expense, or liability arising from Sublessee's or Sublessee agent's, contractor's, employee's or invitee's entry upon the Premises, whether before or after the Commencement Date; other than damages proximately caused by reason of the gross negligence or willful misconduct of Sublessor or its agents and employees. If any action or proceeding is brought against Sublessor by reason of any of the foregoing matters, Sublessee shall upon notice defend the same at Sublessee's expense by counsel reasonably satisfactory to Sublessor and Sublessor shall cooperate with Sublessee in such defense. Sublessor need not have first paid any such claim in order to be defended or indemnified.

20.2 Indemnification of Sublessee. Sublessor shall indemnify, defend and protect Sublessee, its agents and employees and hold Sublessee, its agents and employees harmless from any and all loss, cost, damage, expense, liability (including, without limitation, court costs and reasonable attorney's fees actually incurred on an hourly basis and not as a mere percentage of the amount claimed) actually incurred in connection with or arising at any time from the gross negligence or willful misconduct of Sublessor or its agents and employees and any loss, cost, etc. arising during the completion of the improvements contemplated hereunder by Sublessor, except to the extent that such loss, cost, etc. arises from the negligence or willful misconduct of Sublessee or its agents' or employees' entrance upon or use of the Premises.

21. Subordination, Attornment, Non-Disturbance, and Estoppel Certificate.

a. Subject to the provisions of this Section, this Sublease shall be subject and subordinate to any and all Institutional Mortgages that may now or hereafter affect Sublessor's interest in the real property of which the Premises form a part, and of all renewals, modifications, consolidations, replacements, and extensions thereof. This clause shall be self-operative and no further instruments of subordination shall be required. In confirmation of this subordination Sublessee shall execute, within 10 business days after request to do so from Sublessor, any certificate that Sublessor may reasonably request:

(i) making this Sublease superior or subordinate to the interests of the mortgagee;

(ii) agreeing to attorn to the mortgagee or any successor Sublessor;

(iii) agreeing to give the mortgagee notice of, and a reasonable opportunity (which shall in no event be less than 30 days after notice thereof is delivered to mortgagee) to cure any Sublessor default and agreeing to accept such cure if effected by the mortgagee;

(iv) permitting the mortgagee (or other purchaser at any foreclosure sale), and its successors and assigns, on acquiring Sublessor's interest in the Premises and the Sublease, to become substitute Sublessor hereunder, with liability only for such Sublessor obligations as accrue after Sublessor's interest is so acquired provided that this shall not relieve the new owner from any obligation under the Sublease to remedy any condition of the Building or Premises which may have existed prior to the date the new owner acquired such interest, but only be to the extent of the continuation of the existence of the condition after such date; and,

(v) containing such other agreements and covenants on Sublessee's part as Sublessor's mortgagee may reasonably request.

b. Sublessee's obligation to subordinate its interests or attorn to any future mortgagee is conditioned upon the mortgagee's agreement not to disturb Sublessee's possession and quiet enjoyment of the Premises or any other rights of Sublessee under this Sublease so long as Sublessee is in compliance with the terms of the Sublease.

c. Sublessee agrees to execute within 10 business days after request, and as often as requested, estoppel certificates confirming any factual matter requested by Sublessor which is true and is within Sublessee's knowledge regarding this Sublease or the Premises, including but not limited to: (i) the date of occupancy, (ii) Expiration Date, (iii) the amount of Rent due and date to which Rent is paid, (iii) whether Sublessee has any defense or offsets to the enforcement of this Sublease or the Rent payable, (iv) any default or breach by Sublessor, and (v) whether this Sublease, together with any modifications or amendments, is in full force and effect. Sublessee shall attach to such estoppel certificate copies of any modifications or amendments to the Sublease.

d. The following basic definitions and provisions apply to this Sublease:

(1) "Landlord" as used in this Lease means only the owner of the current interest of Landlord in the Premises or, as the case may be, the successor thereto from time to time. In the event of any transfer at any time of the interest of Landlord, and the written assumption of the obligations under this Lease by the transferee, the transferor shall be and is entirely freed and relieved of all covenants and obligations of Landlord under this Lease thereafter arising, and it shall be deemed and construed without further agreement between the parties or their respective successors in interest or between the parties and the transferee that the transferee of Landlord's interest has assumed and agreed to carry out any and all covenants and obligations of Landlord under this Lease.

(2) "Institutional Lender" means any one of the following: a commercial bank; a savings bank; trust company; insurance company; any investment fund, investment company, finance company, or other entity that extends credit or buys loans as one of its principal businesses; any pension, retirement or welfare fund or other nonprofit organization where the investment policy and financial condition of that fund or organization is subject to the supervision of the state agency, in the state where the Premises are situated, that has supervision of banks or, as the case may be, supervision of insurance companies.

(3) An "Institutional Mortgage" is a mortgage held by an Institutional Lender on the interest of Landlord in the real property constituting the Premises and an "Institutional Mortgagee" is an Institutional Lender who holds an Institutional Mortgage.

22. Brokers. Sublessor and Sublessee hereby covenant and warrant that there are no real estate brokers involved in this transaction ("Broker(s)"), which shall be compensated pursuant to a separate agreement. Sublessor and Sublessee shall indemnify, defend, and hold the other party harmless from any claims, demands, actions, damages, liabilities, costs or expenses which may be asserted or recovered against the other as a result of any brokerage fee, commission, or other compensation arising in breach of this representation and warranty.

23. Notices. All notices, demands and any other communications by either party to the other in connection with this Sublease shall be in writing and shall be delivered by personal delivery, by nationally recognized overnight courier service, or by certified U.S. Mail, return receipt requested, to the parties at the addresses set out below or at such other addresses as may be specified by written notice delivered in accordance herewith. All notices shall be effective upon receipt thereof. Notices sent via certified U. S. mail with return receipt requested are effective on the earliest of the date received, the date of the delivery receipt, or the third day after postmark, as applicable.

Sublessor: Cajun Realty, LLC
980 Hammond Drive, Suite 1100
Atlanta, GA 30328
Attention: Office of General Counsel
Tel: (770) 350-3800

Sublessee: ______________________
____
____
Attn:
Tel:
Email:

Master Landlord: __________________________
____
____
Tel:
Email:

24. Miscellaneous.

(a) The parties acknowledge that the Master Lease is governed by and construed in accordance with the laws of the State of _________, except as otherwise stated. To the extent that Master Landlord is a party to any actions or to the extent that the terms of the Master Lease are in issue, the laws of the State of ______ shall apply, except as otherwise provided in the Master Lease. Otherwise, this Sublease will be governed by and construed in accordance with the laws of the State in which the Premises are located.

(b) IN ADDITION TO THE JURISDICTION AND VENUE PROVIDED IN ARTICLE XXXII OF THE MASTER LEASE, IN THE EVENT THE MASTER LANDLORD IS NOT A PARTY TO AN ACTION, SUBLESSOR AND SUBLESSEE HEREBY CONSENT TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE COUNTY OF FULTON, STATE OF GEORGIA, OR WITHIN THE COUNTY AND STATE IN WHICH THE PREMISES IS LOCATED.

EACH SUBLESSOR AND SUBLESSEE, TO THE EXTENT PERMITTED BY LAW, HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY WILL, AND UPON THE ADVICE OF COMPETENT COUNSEL, WAIVES, RELINQUISHES AND FOREVER FORGOES THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING (WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE) BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO THIS SUBLEASE. SUBLESSEE ACKNOWLEDGES THAT THE PROVISIONS OF THIS PARAGRAPH ARE A MATERIAL INDUCEMENT TO SUBLESSOR'S ENTERING INTO THE SUBLEASE.

(c) So long as Sublessee is not in default in the performance of its covenants and agreements in the Sublease and the covenants and agreements in the Master Lease to the extent relating to the Premises, and subject to the terms and conditions of the Sublease and Master Lease, Sublessee's quiet and peaceable enjoyment of the Premises shall not be disturbed or interfered with by Sublessor, or by any person claiming by, through, or under Sublessor.

(d) In any lawsuit, court action, or other proceeding between Sublessor and Sublessee to enforce the terms of this Sublease, or otherwise arising out of, or in any way related to, this Sublease, the prevailing party in such action shall be entitled to and shall collect from the non-prevailing party, the prevailing party's reasonable expenses, attorney's fees and court costs to the extent actually incurred, including the same on appeal, and including, but not limited to, such expenses, attorney's fees and court costs as the Sublessor may be obligated to reimburse the Master Landlord pursuant to the Master Lease, to the extent that such arise as a result of the Sublessee's failure to comply with the provisions of the Master Lease. As used herein, the term "prevailing party" means the party who, in light of the claims, causes of action, and defenses asserted, is afforded greater relief.

(e) This Sublease, together with the provisions of the Master Lease applicable to the Premises, contains the entire agreement of the parties hereto, and no representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein shall be of any force or effect.

(f) This Sublease shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

(g) If any one or more of the provisions in this Sublease or the Master Lease are for any reason held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision of the Sublease or Master Lease, which will be construed as if it had not included the invalid, illegal or unenforceable provision(s).

(h) The paragraph and section headings in this Sublease are inserted only as a matter of convenience and are not to be given any effect whatsoever in construing this Sublease.

(i) This Sublease may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall together constitute one and the same instrument.

(j) Any and all proprietary items of Sublessor, including, without limitation, all items having on them, or themselves constituting, trademarks, service marks, trade names or logos, shall remain at all times the property of Sublessor.

(k) Simultaneously with the execution of this Sublease, Sublessee shall deposit with Sublessor a security deposit in the amount of ______________________________ __________________________ **($____)** (the "Security Deposit") as security for the performance of each and every covenant, agreement and condition of this Sublease to be performed by Sublessee. Sublessor may use all or any part of the security so deposited for the payment of any Rent or other sums as to which Sublessee may be in default hereunder, or for any sum which Sublessor may expend to cure any default of Sublessee or by reason of Sublessee's default. After each application from the security deposit, Sublessee shall within thirty (30) days following written request therefore replenish said deposit to its original amount. Provided that Sublessee has complied with all the terms of this Sublease, the security deposit shall be returned to Sublessee without interest after the surrender of possession of the Premises to Sublessor in accordance with the terms of this Sublease. The covenants in this section are personal covenants between Sublessor and Sublessee and not covenants running with the land and in no event will any Mortgagee or any purchaser at a foreclosure sale or a sale in lieu of foreclosure be liable to Sublessee for the return of the security deposit.

25. Utilities. Tenant shall be solely responsible for and shall promptly pay, when due, the costs of all utility connections within the Premises and all charges for water, gas, electricity, sewerage, telephone, cable, internet, satellite and other utilities used or consumed on the Premises, including connection fees and taxes thereon. All such utility services shall be obtained directly from and supplied directly by the utility company providing such services and be in the name of Tenant. Tenant shall be responsible for installing utility meters in the Premises, if and when required by utility service providers. In the case of any utilities or services which are not separately metered and billed directly to Tenant, but are metered jointly with other premises, Tenant shall pay to the parties entitled thereto, a pro rata share based on Tenant's usage of such utilities and services. Landlord does not warrant any utility services, connections or facilities whatsoever, and Landlord shall not be liable in damages or otherwise for any failure or interruption of any utility or other service being furnished to the Premises, and no such failure, interruption, delay in, or inability to provide any utility services, connections or facilities for any reason shall be deemed to be an eviction or disturbance of Tenant's use or possession of the premises by Landlord, or to cause Landlord to be

liable to Tenant therefore, or shall entitle Tenant to any abatement of, set off or reduction in the amounts payable to Landlord hereunder or otherwise entitle Tenant to terminate this Lease.

26. Rider. Attached to this Sublease and made a part hereof is a Rider to Sublease Agreement (the "Rider"). To the extent of any inconsistencies between the terms of the Rider and the terms of this Sublease, the terms of the Rider shall govern and control.

27. Net Lease. The parties intend this Sublease to be a "net lease", such that after the Commencement Date, except as specifically provided herein, Sublessee shall be responsible for the cost and expense of utilities, all repairs, maintenance and appearance, insurance, real estate taxes and the costs of operating Sublessee's business on the Premises.

28. Guaranty. This Sublease is expressly conditioned upon the receipt of an executed Guaranty Agreement from _______________, an individual resident of the State of Florida in form and substance attached hereto as Exhibit "B."

29. Master Landlord Consent. This Sublease is expressly conditioned upon the receipt of Master Landlord's consent to the terms and conditions of this Sublease, if required, in form and substance attached hereto as Exhibit "C."

IN WITNESS WHEREOF, Sublessor and Sublessee have executed and delivered this Sublease as of the date first above written.

WITNESSES:	**SUBLESSOR:** CAJUN REALTY, LLC, A Delaware limited liability company
_________________________ Name: ___________________ _________________________ Name: ___________________	By: ____________________________ Louis J. Profumo Executive Vice President and CFO

WITNESSES:	**SUBLESSEE:** __________________________, A _____ limited liability company/corporation
______________________________ Name: _____________ ______________________________ Name: __________________	By: ___________________________ Its: ___________________________ Name: _________________________

RIDER TO SUBLEASE AGREEMENT

This Rider to Sublease Agreement (the "Rider") is executed as of the ___ day of ___________ 20__, by and between CAJUN REALTY, LLC, a Delaware limited liability company ("Sublessor"), and ________________, a __________ limited liability company/corporation (the "Sublessee"). To the extent of any inconsistencies between the terms of the Sublease and the terms of this Rider, the terms and provisions of the Rider shall control.

Accordingly, notwithstanding anything to the contrary in the Sublease, the following shall supersede and control:

1. Base Rent. Base Rent for the Initial Term shall be the amounts as are described in the following table, and shall be paid in accordance with the terms and provisions of this Sublease.

INITIAL TERM	MONTHLY BASE RENT	ANNUAL BASE RENT
__________20__ - _________, 20__	$	$
EXTENSION TERM	**MONTHLY BASE RENT**	**ANNUAL BASE RENT**
________, 20__ – _______, 20__	$	$
________, 20__ – _______, 20__		

2. Tax Escrow. Sublessor reserves the right, at any time and for any reason or no reason at all, to require Sublessee to make its tax payments, as required under the Sublease, in advance with each Period rent payment into an escrow account held by the Sublessor. The amount of each Period escrow payment shall be determined by a good faith estimate of the Sublessor, based upon the tax history of the Premises. Sublessor shall send Sublessee written notice of its intention to impose this escrow requirement, including the amount of the required Period payments at least fifteen (15) days prior to the first required escrow payment by Sublessee. Sublessee shall then begin paying estimated amounts ("Sublessee's Tax Payments") for each Period, in advance, on or before the first day of each Period, together with Sublessee's payment of Rent, and Sublessee's Tax Payments shall be deemed Additional Rent hereunder. Sublessor may reasonably adjust Sublessee's Tax Payments from time to time during the Term. Sublessor shall provide Sublessee with an annual statement showing Sublessee's Tax Payments and the amount of Sublessee's actual obligation for taxes for the calendar year. If the statement shows that Sublessee's Tax Payments were less than Sublessee's actual obligation for taxes, Sublessee shall pay the difference with its next payment of Rent (or if the Sublease is scheduled to expire, or has expired, and no further Rent is due, Sublessee shall immediately pay the difference to Sublessor, and payment of the amount owing shall be a precondition to the expiration of the Sublease). If the statement shows that Sublessee's Tax Payments exceeded Sublessee's actual obligation for taxes, Sublessee shall receive a credit for the difference against its next payment of Rent due. If the Sublease is scheduled to expire, or has expired, and no further Rent shall be due, Sublessor shall refund such difference when Sublessor sends the statement; provided, however, Sublessor shall have no obligation to return any difference to the Sublessee if this Sublease is terminated as a result of Sublessee's default under the Sublease.

____
Sublessee Initials

____
Sublessor Initials

<u>EXHIBIT “A”</u>

<u>MASTER LEASE</u>

[See Following Pages]

EXHIBIT "B"

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT (this "*Guaranty*") is made as of the ___ day of _________ 20__, by ___________ an individual resident of the State of _________ (hereinafter referred to as the "*Guarantor*" or *"Guarantors"*), in favor of **CAJUN REALTY, LLC**, a Delaware limited liability company ("*Sublessor*"), and its successors and assigns.

RECITALS.

A. ________________, a ______ limited liability company/corporation (the "*Sublessee*") and Sublessor, have entered into a Sublease Agreement, dated __________, 20__ (as it may hereafter be modified, supplemented, extended, or renewed and in effect from time to time, the "*Sublease*"), which Sublease sets forth the terms, conditions and provisions of the sublease of Church's Unit No. ____ located at _______________________________("*Premises*").

B. As a condition to the Sublease, Sublessor requires that Guarantor guarantee the terms, conditions and provisions of the Sublease during the initial term, including any extensions, renewals or modifications thereof, or any holdover periods.

C. Any capitalized term used and not defined in this Guaranty shall have the meaning given to such term in the Sublease.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which Guarantor acknowledges, Guarantor covenants and agrees as follows:

1. **Statement of Guaranty**. For valuable consideration, Guarantor hereby jointly, severally, absolutely, irrevocably, and unconditionally guarantees to Sublessor the prompt payment and performance of any and all of the terms, conditions and provisions of the Sublease.

2. **Guaranty of Performance**. Guarantor additionally hereby unconditionally and irrevocably guarantees to Sublessor the timely performance of any and all other obligations of Sublessee under the Sublease, including without limitation that (a) improvements will be constructed in accordance with the Sublease and the Master Lease; and (b) any and all maintenance and repairs shall be completed, including delivery of any certificates required by law. If any of such obligations of Sublessee are not complied with, in any respect whatsoever, and without the necessity of any notice from Sublessor to Guarantor, Guarantor agrees to (i) assume all responsibility for the completion of such obligation and, at Guarantor's own cost and expense, cause the obligation to be fully completed in accordance with the Sublease and Master Lease; (ii) pay all bills in connection with the Sublease; and (iii) indemnify and hold Sublessor harmless from any and all loss, cost, liability or expense that Sublessor may suffer by any reason of any such non-compliance.

3. **Nature of Guaranty**. Guarantor agrees that this Guaranty is an absolute, complete, continuing, unconditional and irrevocable guaranty of payment and performance under the Sublease and Master Lease.

4. **Inducement to Sublessor**. Guarantor acknowledges that this Guaranty is given to induce Sublessor to enter into the Sublease.

5. **Terms of Guaranty**. This Guaranty contains the entire agreement between Guarantor and Sublessor with respect to Guarantor's guarantee of the Sublease. No representations or agreements have been made by Sublessor to Guarantor except as contained in this Guaranty. Guarantor has read and understands the implications of this Guaranty. Guarantor agrees to the terms, provisions and conditions of the Sublease and Master Lease.

6. **Suit on Guaranty**. Suit may be brought by Sublessor against Guarantor alone, or jointly and severally against Guarantor and Sublessee, without impairing the rights of Sublessor against Guarantor.

7. **Costs of Collection**. Guarantor agrees to pay all reasonable costs of collection, including attorney's fees and expense, if this Guaranty is placed in the hands of an attorney for collection, a collection agency or is collected through any court.

8. **Guarantor's Direct Liability**. Sublessor shall not be required, before or as a condition of enforcing the liability of Guarantor under this Guaranty, or requiring payment by Guarantor hereunder, or at any time thereafter, proceed to obtain or assert a claim for personal judgment against Sublessee or make any effort at collection from Sublessee, file suit or proceed to obtain or assert a claim for personal judgment against Sublessee.

9. **Application of Payments**. Guarantor agrees that Sublessor may apply payments or other funds received by Sublessor from Guarantor, or from any other source, including without limitation, insurance proceeds, as Sublessor may deem appropriate in its sole and absolute discretion.

10. **Notice of Litigation**. Guarantor shall promptly inform Sublessor of any litigation against Guarantor which, if determined adversely, might have a material adverse effect upon the financial condition of Guarantor.

11. **Transferability**. This Guaranty is intended for and shall inure to the benefit of Sublessor and may not be transferred without the prior written consent of the Sublessor.

12. **Binding on Others**. This Guaranty shall be binding upon Guarantor and Guarantor's heirs, legal representative, personal representatives, executors, administrators, successors and assigns.

13. **Modification or Consent**. No modification, consent or waiver of any provision of this Guaranty shall be effective unless the modification, consent or waiver is in writing and signed by an officer of Sublessor, and then shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on Guarantor in any case shall, of itself, entitle Guarantor to any other or further notice or demand in similar or other circumstances. No delay or omission by Sublessor in exercising any power or right under this Guaranty shall impair any such right or power or be construed as a waiver thereof or any acquiescence therein, nor shall any single or partial exercise of any such power preclude other or further exercise thereof, or the exercise of any other right or power under this Guaranty. All rights and remedies of Sublessor under this Guaranty are cumulative of each other and of every other right or remedy which Sublessor may otherwise have at law or in equity or under any other contract or document, and the exercise of one or more rights or remedies shall not prejudice or impair the concurrent or subsequent exercise of other rights or remedies.

14. **Time of Essence**. Time shall be of the essence in this Guaranty with respect to all of Guarantor's obligations hereunder.

15. **No Fiduciary Relationship**. The relationship between Sublessor and Guarantor is solely that of Sublessor and guarantor. Sublessor has no fiduciary or other special relationship with or duty to Guarantor and none is created hereby or may be inferred from any course of dealing or act or omission of Lender.

16. **Notices**. Any notice or demand to Guarantor may be given and shall conclusively be deemed and considered to have been given and received upon the deposit thereof, in writing, in the United States mail, duly stamped and addressed to Guarantor at Guarantor's Address For Notice stated herein, but actual notice, however given or received, shall always be effective. This provision shall not be construed in anywise to affect or impair any waiver of notice or demand herein provided or to require giving of notice or demand to or upon Guarantor in any situation or for any reason.

17. **<u>Governing Law and Place of Performance</u>**. GUARANTOR AGREES THAT THIS GUARANTY IS GOVERNED BY THE LAWS OF THE UNITED STATES AND THE STATE OF GEORGIA. This Guaranty is performable in Fulton County, Georgia, and Guarantor hereby waives the right to be sued elsewhere.

18. **<u>Headings</u>**. Section headings of this Guaranty are inserted for convenience of reference only, and shall not alter, define, or be used in construing the text of such sections.

19. **<u>Severability</u>**. If any provision of this Guaranty shall for any reason be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect, limit, or impair any other provision hereof, and this Guaranty shall be construed and enforceable as if such invalid, illegal, or unenforceable provision had never been contained herein.

20. **<u>Pronouns</u>**. As used herein and when required by the context, each number (singular and plural) shall include all numbers, and each gender shall include all genders, and unless the context otherwise requires the word "person" or "party" shall include "person, corporation, firm, partnership, or association".

21. **<u>NOTICE OF INVALIDITY OF ORAL AGREEMENTS</u>. THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.**

[Remainder of page intentional left blank]

[Signature page to this Guaranty Agreement contained on following page]
[Signatures page to Guaranty Agreement]

EXECUTED this ___ day of _____________ 20__.

GUARANTOR:

____

By: _________________________________ _________________________

Name:

Address:

____

____

____

SSN: ____________________

EXHIBIT "C"

#___

LANDLORD CONSENT
TO SUBLEASE AGREEMENT

THIS LANDLORD CONSENT TO SUBLEASE (this "Consent") is made and entered into this _____ day of ___________, 20__, by and between ________________________ ("Landlord") and CAJUN REALTY, LLC, a Delaware limited liability company ("Tenant").

W I T N E S S E T H:

WHEREAS, Landlord and Tenant are parties to that certain Lease, dated ______________, ("Master Lease") for property described as Church's #_____ located at ______________________ ______ (the "Premises"); and

WHEREAS, Tenant wishes to enter into a sublease with ________________, a __________ limited liability company/corporation, (the "Sublessee").

NOW, THEREFORE, for and in consideration of Ten Dollars ($10.00) in hand paid and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Landlord hereby consents to a sublease between Tenant and ________________, a __________ limited liability company/corporation, provided the sublease is substantially in the form attached hereto as Exhibit "A".

2. Landlord hereby represents and warrants to Tenant that Landlord is the owner of the Premises and of the landlord's interest in the Master Lease, with full power and authority to execute, deliver, and perform this Consent.

3. This Consent may be executed in separate counterparts. It shall be fully executed when each party whose signature is required as has signed at least one (1) counterpart even though no one (1) counterpart contains the signatures of all of the parties to this Consent.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Consent effective as of the date first written above.

LANDLORD:

____

By: ___________________________

Its: ___________________________

Name: _________________________

TENANT:

CAJUN REALTY, LLC

A Delaware limited liability company

By: ___________________________

Louis J. Profumo

Executive Vice President and CFO

EXHIBIT “A” TO LANDLORD CONSENT TO SUBLEASE

SUBLEASE AGREEMENT

EXHIBIT R

DELIVERY AND CATERING COMPANY CONTRACTS

Delivery and Catering Program Contracts

Marketplace Addendum
to UberEATS Master Framework Agreement

This Marketplace Addendum ("Addendum") is entered into and made effective as of the date last set forth below ("Addendum Effective Date"), by and between ________________________ ("Participant" or "you") and Portier, LLC ("Portier" or "us"). This Addendum is governed by the terms and conditions of the Master Framework Letter Agreement between Portier and Cajun Operating Company ("Franchisor") with an Effective Date of 2019-04-02 (the "Letter"), provided that all references to "Restaurant" or "you" in the Letter shall be deemed a reference to Participant for purposes of this Addendum. This Addendum, together with the terms of the Letter, shall constitute a separate, enforceable agreement between Portier and Participant ("the Agreement"). In the event of any conflict between this Addendum and the Letter, the terms of this Addendum shall govern. Subject to the foregoing, undefined, capitalized terms in this Addendum will have the meaning set forth in the Letter.

1. **Marketplace**. This Addendum governs the general availability of your Meals via the Uber Platform ("Marketplace"). You agree to make items from your menu available via the Uber Platform during your normal business hours and as further set forth in this Addendum.

2. **Payment**.

a. Pricing. Notwithstanding Section 4(b) of the Letter, you agree that you will not make a Meal available under this Addendum at a price higher than the amount you are charging in-restaurant for similar meals. You agree that you will not make a Meal available under this Addendum at a price higher than the amount you are charging for similar meals through any comparable platform for food delivery services (including, but not limited to, GrubHub, Caviar, etc.).

b. Service Fee. Subject to Section 6, in consideration for use of the Marketplace, Portier will charge you a Service Fee of for each Meal sold by you via the Marketplace, which is a discounted amount that we are offering you in exchange for your expediting your customers' orders via the Uber Platform. If you are paid for a Meal, you are responsible for the Service Fee even if a Delivery Partner is unable to complete the expedited provisioning services.

c. Calculation. Portier will calculate the Service Fee as follows: the Retail Price of all Meals sold by you via the Marketplace on the applicable day (excluding any sales tax collected on your behalf) multiplied by the Service Fee percentage. The Service Fee shall be net of any taxes that you are liable for. Portier will remit to you the total Retail Price collected for all Meals sold by you via the Marketplace (including any sales tax collected on your behalf) less: (a) the retained Service Fee; and (b) any refunds given to your customers (such final remitted amount being the "Meal Revenue"). The Meal Revenue will be remitted within fourteen (14) business days of the Meals being sold.

d. Activation Fee. In consideration of Portier's work to activate Restaurant on the Marketplace, you will pay to Portier a fee of $0 ("Activation Fee"). You agree that Portier may deduct from the Meal Revenue the Activation Fee (or a portion thereof) prior to remitting Meal Revenue to you until you have paid the full Activation Fee.

e. Promotional Fee. In consideration of the enhanced promotion of the Restaurant on the Uber Platform as may be mutually agreed, you will pay to Portier a fee of $________ ("Promotional Fee").

3. **Reporting**. Portier will give you aggregate information regarding the number of Meals picked up by Delivery Partners and sold by you to your customers pursuant to this Addendum. Portier will also provide reasonable information regarding any refunds given to your customers, including the date of the transaction, the Meal ordered, the reason for the refund and any other information Portier is permitted to provide under applicable privacy laws. Participant agrees that Portier may share Participant's transactional data regarding ordered meals, including sales data with Franchisor.

4. **Restrictions**. Delivery Partners are independent contractors, and as such, they reserve the right to refuse to accept any item in their sole discretion. Orders cannot weigh (in the aggregate) more than 30 pounds. The following restricted items may not be sent via the Uber Platform: people or animals of any size, illegal items, alcohol, fragile items, dangerous items (like weapons, explosives, flammables, etc.), stolen goods, or any items that you do not have permission to send.

5. **Devices**

a. Restrictions. If Portier supplies a tablet or other mobile device ("Device") to you to use in connection with the availability of your Meals via the Marketplace, you agree that: (i) Device(s) may only be used for the purpose of accepting orders via the Marketplace, and (ii) Device(s) may not be transferred, loaned, sold or otherwise provided in any manner to any third party. Devices(s) shall at all times remain the property of Portier, and upon expiration or termination of the Agreement or this Addendum, or the extended absence of Restaurant from the Marketplace for longer than forty-five (45) days, you shall return all applicable Device(s) to Portier within ten (10) days.

b. Data Usage. If you receive a wireless data plan with your Device, Portier will require reimbursement of $15 per week from you for the costs associated with the wireless data plan of each applicable Device. You agree that Portier may deduct the reimbursement from the Meal Revenue prior to remittance of such Meal Revenue to you.

6. **Other Notes**. Additional terms and conditions:

Sincerely,

By: ______________________________

Title: Authorized Signatory, Portier, LLC

Accepted and Agreed:

By: ______________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

UBER

MUTUAL NON-DISCLOSURE AGREEMENT

This Mutual Non-Disclosure Agreement (this "**Agreement**") is made as of ____________________ ("**Effective Date**") between **Uber Technologies, Inc.**, located at, 1455 Market Street, Suite 400, San Francisco, CA 94103 ("**Uber**"), and ____________________, located at ________________________________ ("**Company**"). In order to pursue a potential business opportunity ("**Purpose**"), Company and Uber recognize that there may be a need for disclosure of certain information. In order to protect such information from unauthorized use and disclosure, each party agrees as follows:

1. "**Confidential Information**" means any non-public information of a party or any of its affiliates that is disclosed or otherwise made available by or on behalf of one party or any of its affiliates ("**Disclosing Party**") to the other party ("**Receiving Party**"), before or after the Effective Date and whether orally, visually, in writing or in any other form, including, without limitation, the existence and terms of this Agreement and information about the Disclosing Party's technology, products, properties, employees, finances, businesses and operations. Confidential Information includes all notes, analyses, compilations, interpretations or other documents prepared by or for the Receiving Party, to the extent they contain, reflect or are based upon the Disclosing Party's Confidential Information. "**Representative**" means a Receiving Party, its controlled subsidiaries, and its and their respective officers, directors, employees, consultants and agents. Neither Party shall disclose or otherwise make available any personally identifiable information or protected health information in connection with this Agreement.

2. The obligations set forth in Section 3 will not apply to Confidential Information that: (i) is or becomes generally available to the public, through no act or omission of the Receiving Party or its Representatives; (ii) was already known by the Receiving Party without any obligation of confidentiality; (iii) is lawfully disclosed by a third party to the Receiving Party without any obligation of confidentiality; or (iv) is independently developed by the Receiving Party without use of or reference to any Confidential Information of the Disclosing Party.

3. Each Receiving Party shall: (i) maintain the Disclosing Party's Confidential Information in strict confidence using the same degree of care that it uses with regard to its own information of like nature, but in no event less than a reasonable degree of care; (ii) not disclose or make available Confidential Information of the Disclosing Party except as authorized herein; and (iii) not to use any such Confidential Information other than for the Purpose. A Receiving Party may disclose the Disclosing Party's Confidential Information only to its Representatives who have a need to know for, and solely to the extent necessary to pursue, the Purpose, provided that: (a) each Representative is bound by written obligations of confidentiality at least as protective of the Disclosing Party's Confidential Information as those contained in this Agreement; and (b) the Receiving Party informs each Representative of the confidential nature of the Confidential Information. Each Receiving Party shall be responsible for any breach of or non-compliance with this Agreement by its Representatives.

4. A Receiving Party may disclose the Disclosing Party's Confidential Information to the extent required by any applicable law or regulation, provided that the Receiving Party, to the extent legally permissible, gives the Disclosing Party advance written notice of such required disclosure and reasonably assists the Disclosing Party in protecting, preventing or limiting such disclosure at the Disclosing Party's expense. In any event, the Receiving Party shall only disclose that portion of the Disclosing Party's Confidential Information which, based on the reasonable advice of counsel, is legally required to be disclosed, and shall otherwise exercise all reasonable efforts to receive confidential treatment for such Confidential Information.

5. All Confidential Information remains the sole and exclusive property of the Disclosing Party. Each Receiving Party acknowledges and agrees that nothing in this Agreement will be construed as granting any rights (including, without limitation, any patent, copyright or other intellectual property or proprietary right) to the Receiving Party, by license or otherwise, in or to any Confidential Information of the Disclosing Party, except as expressly set forth in this Agreement.

6. ALL CONFIDENTIAL INFORMATION IS PROVIDED "AS IS".

7. Each Receiving Party acknowledges that the unauthorized use or disclosure of the Disclosing Party's Confidential Information would cause the Disclosing Party to incur irreparable harm and significant damages, the degree of which may be difficult to ascertain. Accordingly, each Receiving Party agrees that the Disclosing Party will have the right to seek equitable relief in connection with any unauthorized use or disclosure of its Confidential Information, in addition to any other rights and remedies that it may have at law or otherwise.

8. This Agreement will remain in effect for a period of two years from the Effective Date. Receiving Party's obligations of confidentiality under this Agreement with respect to Disclosing Party's Confidential Information shall survive for three years after the expiration of this Agreement. Neither party shall have any obligation to disclose any Confidential Information or to enter discussions relating to, or enter into or continue any arrangement or agreement relating to, the Purpose or any other matter, except as agreed to in writing by the parties.

9. Upon the Disclosing Party's request, and in any event, upon the expiration of this Agreement, each Receiving Party will return, or at the Disclosing Party's election destroy, all Confidential Information of the Disclosing Party and all copies thereof (including electronic copies), and, if requested by the Disclosing Party, shall certify in writing the completion of such return or destruction. Notwithstanding the foregoing, each Receiving Party may retain copies of the Disclosing Party's Confidential Information solely to the extent (i) required by applicable law or regulation, or (ii) created by technical, automatic archiving or backup processes maintained in the ordinary course of business, provided that, in each case, Receiving Party's obligations under this Agreement with respect to such Confidential Information shall survive indefinitely.

10. This Agreement will be governed and construed in accordance with the laws of the State of California without regard to its conflict of laws provisions. This Agreement is the complete and exclusive statement regarding the subject matter of this Agreement and supersedes all prior agreements, understandings and communications, oral or written, between the parties regarding the subject matter of this Agreement. Neither party may assign this Agreement, in whole or in part, without the other party's prior written consent, and any attempted assignment without such consent will be void. In any legal action instituted by either of the parties to enforce the terms of this Agreement, the prevailing party shall be entitled to seek its attorney's fees and costs incurred in connection therewith.

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

UBER

By: ______________________________

Name ______________________________

Title: ______________________________

COMPANY

By: ______________________________

Name: ______________________________

Title: ______________________________

Supplemental Agreement

This Supplemental Agreement ("Supplemental Agreement") between DoorDash, Inc., a Delaware corporation with principal offices at 901 Market Street, Suite 600, San Francisco, California 94103 ("DoorDash"), and the undersigned franchisee ("Franchisee") is effective as of the later of the dates written below (the "Franchisee Effective Date"). DoorDash and Franchisee agree as follows:

1. **The Delivery & Promotion Agreement**. Cajun Operating Company d/b/a Church's Chicken (the "Partner") has entered into an agreement, as amended (the "Agreement") for the receipt of delivery and promotional services from DoorDash (the "DoorDash Services"). The Agreement provides that Franchisee may elect to receive the DoorDash Services provided that Franchisee is in compliance with its franchise agreement or any other agreement with affiliates of Cajun Operating Company and executes this Supplemental Agreement. Franchisee may agree to additional promotional offers for an additional fee. Accordingly, to receive DoorDash Services, Franchisee agrees to be subject to all terms and conditions of this Supplemental Agreement and all terms and conditions of the Agreement which is incorporated herein by reference, as the same may be amended from time to time by DoorDash and Partner. For clarity, unless otherwise indicated herein, all references to "Partner" in the Agreement shall be deemed to include both Cajun Operating Company d/b/a Church's Chicken and "Franchisee" and all references to "Restaurants" shall be deemed references to Franchisee's Church's Chicken® Restaurants listed on Schedule 1 attached hereto. Any other agreement between DoorDash and Franchisee related to the subject matter of the Agreement or this Supplemental Agreement is hereby terminated as of the Franchisee Effective Date. Under no circumstances shall anything in this Supplemental Agreement be construed to authorize Franchisee to amend, modify or adjust the Agreement between DoorDash and Partner. Franchisee has had the opportunity to review the Agreement, which is available from Partner or DoorDash.

2. **Eligible Franchisee**. Franchisee represents that it is an "Eligible Franchisee" which shall be defined as individuals or business entities meeting the following "Eligibility Criteria": (i) subject to the effective franchise agreement by and between the individual or business entity and Cajun Global LLC (the "Franchise Agreement(s)"); and (ii) not in default of any Franchise Agreement with Cajun Global LLC or its affiliates; and (iii) satisfies any other criteria established by Partner or Cajun Global LLC (as may be revised from time to time in their sole discretion); or (iv) as otherwise defined in the Agreement between DoorDash and Partner. If an Eligible Franchisee ceases to possess rights as a franchisee of Partner then, as soon as DoorDash is notified of such rights being lost, DoorDash will terminate this Supplemental Agreement. Partner may also terminate this Supplemental Agreement upon thirty (30) days prior written notice to DoorDash. Termination of this Supplemental Agreement for either of the above will not be considered a breach of the Supplemental Agreement or the Agreement. Nothing in this Supplemental Agreement or the Agreement is intended to prevent DoorDash and the former Eligible Franchisee from entering into a new agreement for the provision of DoorDash Services.

3. **Customer of Record**. Franchisee will be solely responsible and liable to DoorDash to pay all commissions, payments, fees, charges and taxes associated with the DoorDash Services purchased and/or utilized by Franchisee, in addition to complying with all laws pertaining to the Franchisee's other obligations under this Supplemental Agreement. Franchisee will be DoorDash's customer of record for the DoorDash Services provided under this Supplemental Agreement. Any breach of this Supplemental Agreement or the Agreement by the Franchisee will not be considered a breach by Partner of the Agreement.

4. **Term and Termination**. This Supplemental Agreement shall commence on the Franchisee Effective Date and will expire with the expiration or termination of the Agreement, unless the Supplemental Agreement is otherwise earlier terminated pursuant to Section 2 above.

5. **Information Sharing; Auditing**. Franchisee and DoorDash grant to Cajun Global LLC and its affiliates, and Cajun Global LLC and its affiliates accept from Franchisee and DoorDash, a perpetual, non-exclusive, royalty-free, transferable, world-wide license to use any of Franchisee's data arising from or related to this Supplemental Agreement and the DoorDash Platform for the purpose of testing the DoorDash services outlined in the Agreement, auditing Franchisee's sales as permitted by the Franchise Agreement, or for any other lawful business purpose of Cajun Global LLC and its affiliates.

6. **Franchisee Contact**. Notices under this Supplemental Agreement to Franchisee shall be sent to the location and contact set forth below.

7. **Disputes**. Notwithstanding Section 8 of the Agreement, the venue for any dispute between DoorDash and Franchisee must be in the city and state of the Franchisee Restaurant from which the dispute arises, or, to the extent the dispute does not arises from a specific Franchisee Restaurant, then in any city or state where there is a Restaurant owned by the undersigned Franchisee.

8. **Insurance**. Franchisee shall obtain additional insurance coverage as required by Cajun Global LLC or its affiliates as of the Franchisee Effective Date. Such additional insurance coverage shall name Cajun Global LLC and its affiliates as additional insureds.

9. **Indemnification**. FRANCHISEE AGREES TO INDEMNIFY AND HOLD CAJUN GLOBAL LLC AND ITS AFFILIATES, SUCCESSORS, ASSIGNS, OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS HARMLESS FROM ANY AND ALL CLAIMS, DISPUTES AND CAUSES OF ACTION ARISING FROM OR PERTAINING TO THIS SUPPLEMENTAL AGREEMENT.

10. **Entire Agreement**. This Supplemental Agreement, including the incorporated Agreement, sets forth the entire agreement between DoorDash and Franchisee with respect to the subject matter hereof. This Supplemental Agreement supersedes and replaces in its entirety any agreement entered into between DoorDash and Franchisee for the Franchisee Restaurants prior to the Franchisee Effective Date.

*****REMAINDER OF PAGE LEFT INTENTIONALLY BLANK*****

IN WITNESS WHEREOF, the parties have executed this Supplemental Agreement as of the Franchisee Effective Date, which shall be the last date set forth below:

FRANCHISEE:______________________

By:_________________________________

Name:_______________________________

Title:_______________________________

Date:_______________________________

Address:_____________________________

Phone No:___________________________________

Contact Name:_______________________________

DOORDASH, INC.

By:_________________________________

Name:_______________________________

Title:_______________________________

Date:_______________________________

SCHEDULE 1 TO SUPPLEMENTAL AGREEMENT: LIST OF FRANCHISEE'S RESTAURANT(S)

Please list Church's Chicken restaurants below.

STANDARD PAYMENT TERMS:

Franchisee agrees to follow DoorDash's then-current Standard Operating Procedures, the current version of which are available at https://www.doordash.com/merchant/partner-terms/ (the "Operating Procedures").

Franchisee agrees to be bound by the Stripe Connected Account Agreement, which includes the Stripe Services Agreement. DoorDash will cover the cost of all payment processing fees, including any Stripe fees. The information provided below is necessary to establish your Stripe Connected Account, and it can be updated at any time.

Stripe Connected Account Representative Name: ______________________________________

Stripe Connected Account Representative Date of Birth (MM/DD/YYYY): __________________

Employer ID Number (EIN): ___________________

Franchisee's Account Information for Direct Deposit from DoorDash

Restaurant #	Bank Name	Name of Account Holder	Account Number	Routing Number

FRANCHISEE ADOPTION AGREEMENT

In connection with the Grubhub Enterprise Restaurant Agreement entered into between Grubhub Holdings Inc. (“**Grubhub**”) and Cajun Operating Company d/b/a Church’s Chicken (“**Church’s Chicken**”) dated February 9, 2018 (“**Agreement**”), Grubhub and the undersigned Church’s Chicken franchisee (“**Franchisee**”) hereby mutually agree to extend the benefits of the Agreement to Franchisee, as an authorized franchisee of Church’s Chicken, through this adoption agreement (“**Adoption Agreement**”). Capitalized terms not defined herein shall have the meanings set forth in the Agreement.

Franchisee hereby agrees to be bound by the terms and conditions of the Grubhub Enterprise Restaurant Agreement applicable to Church’s Chicken. Further, by entering into this Adoption Agreement, Franchisee hereby consents to the sharing of certain transactional information with Church’s Chicken through its use of the System and Services.

Entity name: ______________________________

Street Address: ______________________________

City/State/Zip: ______________________________

Phone Number: ______________________________ **Fax (if applicable):** ________________________

FEIN: ______________________________ **Sales Tax Rate:** ________%

Owner Name: ___________________________ **Owner Email:** ____________________________

Contact Name: ___________________________ **Contact Email:** ___________________________

☐ Franchisee certifies that Franchisee is properly registered and in good standing with all applicable health and sanitation regulatory authorities.

The undersigned hereby certifies that the above information is accurate, and that she or he is authorized to enter into this Adoption Agreement on behalf of Franchisee.

Signature: ______________________________

Print Name: ______________________________

Title: ______________________________

Date: ______________________________

Postmates Merchant Agreement

INCORPORATION. The undersigned Merchant wishes to utilize, and Postmates Inc. ("Postmates") hereby agrees to provide access to, Postmates' mobile app and web-based on-demand platform (the "Platform") pursuant to the terms of this Postmates Merchant Agreement and Postmates' Privacy Policy (https://postmates.com/privacy), incorporated herein by reference, (collectively, the "Agreement"). Postmates and Merchant may be referred to individually as a "Party," and collectively as the "Parties."

INTELLECTUAL PROPERTY. During the term of this Agreement, each Party grants to the other Party a limited, non-exclusive, non-transferable, and royalty-free license to use such Party's marks for the sole purpose of performing its obligations under this Agreement. For the purposes of this Agreement, "marks" shall include trademarks, trade names, service marks, copyrights, logos, slogans and other identifying symbols and indicia of the applicable party. Use of a Party's marks shall only be in a manner that complies in all material respects with that Party's trademark usage policies provided from time to time. Each Party's use of the other Party's marks, and all goodwill generated thereby, will inure to the benefit of the owner of such marks.

PAYMENT AND FEES. Postmates will remit to Merchant, no less frequently than once a week, all customer payments for item(s) purchased through the Platform, less the Postmates "Fee", and any payment processing fees associated with such remittance. The Fee, as identified in Exhibit A, is based upon the pre-tax purchase price of the ordered item(s), and consists of fees and costs attributed to the efforts expended by Postmates for marketing Merchant's products, customer acquisition efforts, and maintenance of the Platform.

Merchant will prepare items for delivery consistent with order information provided by Postmates. Merchant will reimburse Postmates for any costs Postmates incurs (e.g., refunds and credits) for orders inconsistent with order information. Postmates will deduct any such costs from its remittances to Merchant pursuant to this section.

MERCHANDISE PRICE AND TAXES. Merchant and Postmates will mutually agree upon the pricing of Merchant's goods on the Platform.

Merchant will provide Postmates with the sales tax rate applicable to items purchased through the Platform for any Merchant location included on the Platform. Merchant will indemnify Postmates for any sales, use, or other tax, duty or charge of any kind that is levied or imposed on the use of the Platform, excluding any tax based on Postmates' net income.

MERCHANT PROFILE. Merchant will establish a Merchant Profile pursuant to Exhibit A, and any accompanying attachments, which are incorporated herein by reference.

TABLET. Postmates may provide Merchant with a tablet to help expedite orders made through the Platform. If Merchant receives a tablet from Postmates, Merchant will not owe the Fee until Merchant has activated the tablet.

If Merchant does not activate the tablet within fifteen (15) days, Postmates may immediately terminate this Agreement. If Merchant does not activate the tablet within thirty (30) days, Merchant shall owe Postmates two-hundred and fifty dollars ($250). Upon termination of the Agreement, Merchant shall promptly return the tablet to Postmates at Merchant's own expense. If Merchant fails to return the tablet, the cost of the tablet will be deducted from Merchant's final payment.

In addition, if Merchant permits a third Party (except any employee of Merchant) to access the tablet, Postmates may immediately terminate this Agreement.

REPRESENTATIONS AND WARRANTIES. Each Party hereby represents and warrants that: (a) it has full power and authority to enter into this Agreement and perform its obligations hereunder; (b) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its origin; (c) it has not entered into, and during the term will not enter into, any agreement that would prevent it from complying with or performing its obligations under this Agreement; (d) it will comply with all applicable laws and regulations in its performance of this Agreement; (e) the content, media and other materials used or part of this Agreement shall not infringe or otherwise violate the intellectual property rights, rights of publicity, or other proprietary rights of any third Party.

Merchant further represents and warrants that: (a) it will remit all taxes owed to the relevant authorities; (b) all tax rate information provided to Postmates is accurate; (c) all information provided to Postmates pursuant to this Agreement is complete, and no such information is inaccurate, misleading, or otherwise deceptive.

INDEMNIFICATION. Merchant shall defend, indemnify and hold harmless Postmates and its affiliates and their directors, officers, employees and agents from and against any and all claims, taxes, losses, damages, liabilities, costs and expenses, including attorneys' fees and other legal costs, to the extent arising out of, or relating to, any actual or threatened third party claim, including government claims and investigations (collectively a "Claim") arising from or in connection with: (i) any breach by Merchant or its employees, contractors or agents of the representations and warranties in this Agreement; (ii) any violation or alleged violation of any rule, regulation, law, or health and safety code, applicable to Merchant's products; or (iii) any violation or claimed violation of a third party's rights resulting in whole or in part from Postmates' use of Merchant's Marks.

Postmates shall defend, indemnify and hold harmless Merchant and its affiliates, directors, officers, employees, and agents from and against any and all Claims arising from or in connection with: (i) any violation or claimed violation of a third party's rights resulting in whole or in part from Merchant's use of the Platform; (ii) any release of personally identifiable information); or any breach by Postmates or its employees, contractors or agents of the representations and warranties in this Agreement.

In connection with any Claim for which a party is responsible pursuant to this Section, the indemnified party shall provide the indemnifying party with: (i) prompt written notice of such Claim; (ii) control over the defense and settlement of such Claim, provided that: (a) the indemnifying party shall not enter into a settlement that involves anything other than the payment of money by the indemnifying party (only to the extent the indemnified party is indemnified for such amounts under this Agreement) without the express written consent of the indemnified party; and (b) the indemnified party shall have the right to participate in the defense of such Claim with counsel of its choosing at the indemnified party's expense; and (iii) reasonable information and assistance necessary to settle and/or defend any such Claim, provided that reasonable out-of-pocket expenses incurred by the indemnified party in providing such assistance will be reimbursed by the indemnifying party.

DISCLAIMER. EXCEPT AS SET FORTH HEREIN, NEITHER PARTY MAKES ANY REPRESENTATIONS AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY KIND (WHETHER

EXPRESS OR IMPLIED), INCLUDING MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT. THE PLATFORM AND ANY TABLET PROVIDED TO EXPEDITE ORDERS ARE PROVIDED “AS IS” AND “AS AVAILABLE”. MERCHANT ACKNOWLEDGES AND AGREES THAT POSTMATES DOES NOT PROVIDE COURIER SERVICES. SERVICES PROVIDED THROUGH THE PLATFORM ARE PROVIDED BY THIRD PARTY COURIERS WHO ARE INDEPENDENT CONTRACTS AND NOT EMPLOYEES OF POSTMATES.

LIMITATION OF LIABILITY.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL POSTMATES BE LIABLE TO MERCHANT, OR ANY OF THE AFFILIATES OF MERCHANT, OR ANY THIRD PARTY, WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE, INCLUDING BUT NOT LIMITED TO BREACH OF CONTRACT AND NEGLIGENCE, FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES (EVEN IF SUCH DAMAGES ARE FORESEEABLE, AND WHETHER OR NOT A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES) ARISING FROM OR RELATING TO THIS AGREEMENT.

POSTMATES AGGREGATE LIABILITY IN CONNECTION WITH OR ARISING FROM THIS AGREEMENT SHALL NOT EXCEED TEN THOUSAND DOLLARS ($10,000), REGARDLESS OF THE THEORY UPON WHICH SUCH LIABILITY IS BASED.

CONFIDENTIALITY. “Confidential Information” means any confidential, proprietary or other non-public information disclosed by one Party (the “Discloser”) to the other Party (the “Recipient”) if disclosed verbally, in writing, or by inspection of tangible objects.

Recipient agrees that it will only disclose the Confidential Information to its employees and agents who have a need to know such Confidential Information and who are bound by written obligations of confidentiality and will not use the Confidential Information in any way other than as necessary to perform its obligations under this Agreement. Such prohibition on disclosure of Confidential Information shall not apply to the extent it is required as a matter of law, provided Recipient gives Discloser prior written notice of such obligation and reasonably assists in obtaining a protective order prior to making such disclosure.

TERM AND TERMINATION. This Agreement shall continue until terminated by either Party. Either Party may terminate the Agreement for convenience upon thirty (30) days written notice, which may include email. In the event of termination, all outstanding payments to Postmates shall be due within five (5) days.

INSURANCE. During the Term and for one (1) year thereafter, each Party shall maintain Commercial General Liability (including contractual and advertising injury liability coverage), and, if required by law, Worker’s Compensation insurance. The Commercial General Liability insurance policy shall have limits of coverage not less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) in the aggregate. In addition, Postmates agrees to maintain Commercial Automobile Liability Insurance policy with limits of coverage not less than One Million Dollars ($1,000,000). In addition, Postmates shall maintain(a) Errors and Omissions liability insurance of at least $5 million in the aggregate; and Cyber Liability insurance of at least $5 million in the aggregate. Upon Merchant’s request, Postmates shall provide certificates of insurance evidencing compliance with the requirements of this Section.

GENERAL. ***Relationship.*** The relationship of the parties established by this Agreement is that of independent contractors, and nothing contained in this Agreement should be construed to create a partnership, joint venture, or employer-employee relationship, or give either Party the power to act as an agent or direct or control the day-to-day activities of the other. Each Party will be responsible for its own costs of conducting business and performing its obligations under the Agreement. ***Survival.*** Upon expiration or termination of this Agreement, those rights and obligations that by their nature are intended to survive such expiration or termination will survive. ***Assignment.*** Merchant may not assign its rights and obligations under this Agreement. Postmates may assign its right and obligations under this Agreement pursuant to a merger, acquisition, or sale of substantially all of its assets. This Agreement will be binding upon and inure to the benefit of the parties' permitted successors and assigns. ***Force Majeure.*** Nonperformance by either Party due to a force majeure event will be excused. ***Law/Venue.*** This Agreement shall be governed by the laws of the State of California, without regard to the conflicts of law provisions of any jurisdiction. The Parties hereby expressly consent to the exclusive jurisdiction and venue of the state and federal courts located in San Francisco County, California. ***Severability.*** If any part of this Agreement is unenforceable, the remaining portions will remain in full force and effect. ***Entire Agreement.*** This Agreement contains the entire agreement between the parties. All prior agreements, discussions understandings and negotiations relating to the subject matter thereof are merged into this Agreement. This Agreement may be amended only by a written document executed by both Parties, which may include electronic signatures. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which taken together will constitute the same instrument. ***Waiver.*** The waiver of a breach of any provision of this Agreement will not waive any other or subsequent breach.

Agreed to and fully executed on the last Date below ("Effective Date").

Merchant

Signature: ________________________________

Name: ___________________________________

Title: _____________________________________

Date: _____________________________________

Postmates

Signature: ________________________________

Name: ____________________

Title: _______________

Date: _____________________________________

Exhibit A - Merchant Profile

Business Name	
Contact Email	
Business Address	
Federal Taxpayer ID	
Fee	

Partnered Locations

Location 1	
Location 1 Tax Rate	

Location 2	
Location 2 Tax Rate	

Location 3	
Location 3 Tax Rate	

Location 4	
Location 4 Tax Rate	

Location 5	
Location 5 Tax Rate	

Location 6	
Location 6 Tax Rate	

Location 7	
Location 7 Tax Rate	

Location 8	
Location 8 Tax Rate	

Location 9	
Location 9 Tax Rate	

Location 10	
Location 10 Tax Rate	

EXHIBIT S

NEW DEVELOPMENT INCENTIVE PROGRAM ADDENDUM TO DEVELOPMENT AGREEMENT

PLATINUM INCENTIVE PLAN PROGRAM ADDENDUM
TO CHURCH'S CHICKEN DEVELOPMENT AGREEMENT

THIS PLATINUM INCENTIVE PLAN PROGRAM ADDENDUM ("Addendum") to the Church's Chicken Development Agreement dated as of ___________________ ("Development Agreement") between Cajun Global LLC ("Church's") and _______________ ("Developer") is entered into as of the __ day of _______, 202___.

RECITALS

In order to encourage the development of new franchised Church's Chicken restaurants by franchisees who satisfy Church's financial requirements for new development, Church's has implemented a development incentive program (the "Platinum Incentive Plan") for franchised Church's Chicken restaurants ("Franchised Restaurants") that are developed pursuant to a Church's Chicken Development Agreement that provides for the development of a minimum of five Franchised Restaurants within 5 years (the "Development Agreement").

Church's and Developer are entering into this Addendum to modify the Development Agreement and to provide for Developer's receipt of the development incentives offered by Church's pursuant to the Platinum Incentive Plan.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Platinum Incentive Plan Requirements.

A. In order to be eligible for the Platinum Incentive Plan, Developer must open its first Franchised Restaurant no later than one year following the date of the Development Agreement (the "First Restaurant Deadline"). If Developer fails to open its first Franchised Restaurant by the First Restaurant Deadline, Developer shall not be entitled to receive any benefits under the Platinum Incentive Plan.

B. If the first Franchised Restaurant is developed in accordance with Section 1.A., the Platinum Incentive Plan benefits set forth in this Addendum shall apply to the second through fifth Franchised Restaurants that Developer opens in full compliance with the Development Schedule and the Development Agreement (each an "Eligible Restaurant"); provided that each Franchised Restaurant is opened by Developer by no later than one year after the opening date of the immediately prior Franchised Restaurant.

2. Development Incentives.

A. For each Eligible Restaurant that Developer develops and opens in accordance with the terms of the Development Schedule and the Platinum Incentive Plan requirements set forth in Section 1 above, Developer is eligible to receive the development incentives listed in the table below (the "Platinum Incentive Plan Incentives") provided that Developer is in compliance with the Development Agreement and all Franchise Agreements between Developer and Church's.

Eligible Restaurant Developed under Platinum Incentive Plan	Development Fee (Due upon signing Development Agreement)	Initial Franchise Fee (Due upon signing Franchise Agreement)	Royalty Fee*	Grand Opening Match	Restaurant Opening Deadline
1st Restaurant	$10,000	$0	0% (Year 1 after Restaurant #1 Opens) 2% (Year 2) 3% (Year 3) 4% (Year 4) 5% (Year 5 and thereafter)	$4,000	No later than 12 months after the effective date of the Development Agreement
2nd Restaurant	$10,000	$0	0% (Year 1 after Restaurant #2 Opens) 2% (Year 2) 3% (Year 3) 4% (Year 4) 5% (Year 5 and thereafter)	$4,000	No later than 24 months after the effective date of the Development Agreement
3rd Restaurant	$10,000	$0	0% (Year 1 after Restaurant #3 Opens) 2% (Year 2) 3% (Year 3) 4% (Year 4) 5% (Year 5 and thereafter)	$4,000	No later than 36 months after the effective date of the Development Agreement
4th Restaurant	$10,000	$0	0% (Year 1 after Restaurant #4 Opens) 2% (Year 2) 3% (Year 3) 4% (Year 4) 5% (Year 5 and thereafter)	$4,000	No later than 48 months after the effective date of the Development Agreement
5th Restaurant	$10,000	$0	0% (Year 1 after Restaurant #5 Opens) 2% (Year 2) 3% (Year 3) 4% (Year 4) 5% (Year 5 and thereafter)	$4,000	No later than 60 months after the effective date of the Development Agreement
*Changes to the Royalty Fee as described in the schedule listed in this table will start on the first day of the week after the anniversary of the Effective Date in Year 2, Year 3 and Year 4.					

The Platinum Incentive Plan Incentives may not be combined with any other franchise fee or royalty incentives.

If Developer executes an agreement with Church's in conjunction with the acquisition of existing Church's restaurants from another Church's franchisee, Church's has the option, in its sole discretion, to offer, or not to offer, the Platinum Incentive Plan Incentives to Developer.

B. Addendum to Franchise Agreement. Simultaneously with Developer's execution of the Franchise Agreement for each Eligible Restaurant, Developer will execute a Development Incentive Program Addendum to the Franchise Agreement in the form attached as Exhibit 1 to this

Addendum, which shall memorialize the Royalty Fee Reduction benefits of the Platinum Incentive Plan.

3. Termination. This Addendum, and the development incentives offered pursuant to this Addendum, shall terminate following written notice to Developer upon the occurrence of any of the following events during the Development Incentive Period:

A. Developer fails to open the first Franchised Restaurant under the Development Agreement by the First Restaurant Deadline;

B. Developer fails to open its second or any additional Franchised Restaurant within twelve months following the opening date of the previous Franchised Restaurant opened by Developer under the Development Agreement;

C. Developer fails to meet any Site Acceptance Date or Opening Date for any Franchised Restaurant required to be developed under the Development Agreement; or

D. Developer receives a written notice of default under the Development Agreement or any other agreement with Church's or its affiliates and fails to cure the default within the applicable cure period, if any.

4. Effect of Termination. If this Addendum is terminated, Developer shall not receive any further development incentives with respect to any additional Franchised Restaurants developed under the Development Agreement. However, termination of this Addendum shall not affect the development incentives provided under any Development Incentive Program Addendum to a Franchise Agreement for any Eligible Restaurant that opens prior to the termination.

5. Capitalized Terms. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Development Agreement.

6. Limited Modification. Except as expressly modified by this Addendum, the Development Agreement remains unmodified and in full force and effect.

7. Counterparts. This Addendum may be executed in counterparts, and each copy so executed and delivered shall be deemed to be an original. Any signature by email or facsimile shall be binding.

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ______________________________________
Name: ____________________________________
Title: _____________________________________
Date: _____________________________________

DEVELOPER:

____

By: ______________________________________
Name: ____________________________________
Title: _____________________________________
Date: _____________________________________

EXHIBIT 1
FORM OF DEVELOPMENT INCENTIVE ADDENDUM ("Platinum Incentive Plan)
TO CHURCH'S CHICKEN FRANCHISE AGREEMENT

THIS DEVELOPMENT INCENTIVE ADDENDUM ("Addendum") to the Church's Chicken Franchise Agreement dated as of ___________________ ("Franchise Agreement") between Cajun Global LLC ("Church's") and _______________ ("Franchisee") is entered into as of the __ day of _______, 202 _______.

RECITALS

Pursuant to the Franchise Agreement, Church's granted Franchisee the right to develop and operate a franchised Church's Chicken restaurant located at _______________________ (the "Franchised Restaurant").

In order to encourage the development of franchised Church's Chicken restaurants, Church's has implemented a development incentive program for franchisees that signed a qualifying Church's Chicken Development Agreement pursuant to which they agreed to develop a minimum of 5 franchised Church's Chicken restaurants within 5 years from the Effective Date of the Development Agreement.

Since the development of the Franchised Restaurant meets the criteria for the Platinum Incentive Plan, Church's and Franchisee are entering into this Addendum to provide the Platinum Incentive Plan benefits to Franchisee and to modify certain provisions of the Franchise Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Initial Franchise Fee. Schedule 1, paragraph 1 shall state the Initial Franchise Fee is $10,000, receipt of which is hereby acknowledged.

2. Reduced Royalty Fee. Notwithstanding anything to the contrary contained in Section 3.B. of the Franchise Agreement, during the first year the Franchised Restaurant is open, Franchisee shall pay the Royalty Fees shown below:

Royalty Fee
0% (Year 1 after Restaurant Opens)
2% (Year 2)
3% (Year 3)
4% (Year 4)
5% (Year 5 and thereafter)

3. Grand Opening Match. Franchisor shall match Franchisee's expenditures for Grand Opening for the Franchised Restaurant up to a maximum of $4,000.

4. Capitalized Terms. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

5. Limited Modification. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

6. **Counterparts**. This Addendum may be executed in counterparts, and each copy so executed and delivered shall be deemed to be an original. Any signature by email or facsimile shall be binding.

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

CHURCH'S:

CAJUN GLOBAL LLC

By: ______________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

FRANCHISEE:

____

By: ______________________________
Name: ______________________________
Title: ______________________________
Date: ______________________________

EXHIBIT T

PARTICIPATION MEMORANDUM

PARTICIPANT MEMORANDUM

Franchisee Company Name ("Franchisee"): ____________________________________

Operating Principal: ____

I. **Authorization and Commitment. (a)** Franchisee authorizes Cajun Operating Company, d/b/a Church's Chicken ("Cajun"), through its Supply Chain Group and as governed by the Supply Chain Board of Directors (the "Board")as set forth in its Operating Agreement to negotiate terms and conditions with suppliers and distributors ("Suppliers") of any and all products in the Supply Chain of Church's Chicken Restaurants (the "Products") as specified by Cajun for the benefit for Franchisee's Church's Chicken restaurants.

(b) Franchisee acknowledges that for Cajun to negotiate favorable terms and conditions, Cajun may commit to minimum purchase amounts of the Products by all Church's Chicken brand restaurants (both franchised restaurants and Cajun-owned restaurants).

2. Term: (a) From the date hereof, this Participant Memorandum commits the Franchisee to participate with the Cajun Supply Chain Group monitored by the Supply Chain Board until Franchisee no longer operates a Church's Chicken restaurant or unless there are events under the Operating Agreement for the Supply Chain Group of Cajun that require a change in the Purchasing and Supply Chain system.

(b) Franchisee shall be required to purchase products from approved Suppliers provided that the Supplier abides by the terms of the contracts. In the event that a Supplier fail to abide by the terms of the contract, then the Cajun Supply Chain Group shall work closely with the franchisee to approve another Supplier that is able to serve and supply the franchisee with terms approved by the Board in a timely manner.

3. **Miscellaneous.** This Memorandum shall be subject to and governed by the laws of the State of Georgia. Cajun may assign this Memorandum to any successor entity or acquirer of all or any portion of its business. This Memorandum may be modified only by a written amendment executed by Cajun and the Franchisee. Franchisee acknowledges that Cajun and the Supply Chain Board shall have no liability to Franchisee or any other person or entity arising out of or related to any Product or the performance or non-performance by any Supplier. In the event this Participant Memorandum was to conflict with the franchisee's Franchise Agreement, such Franchise Agreement shall control.

Executed on behalf of Franchisee

By: Signature: __________________________

Print Name: ____________________________

Title: __________________________________

Date: __________________________________

Please return to Steve Lash at e-mail slash@churchs.com.

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:

STATES	EFFECTIVE DATE
California	December 8, 2021, as amended August 11, 2022
Illinois	June 14, 2022, as amended August 11, 2022
Indiana	June 14, 2022, as amended August 11, 2022
Maryland	June 30, 2022, as amended August 11, 2022
Michigan	June 16, 2022, as amended August 11, 2022
New York	June 14, 2022, as amended August 11, 2022
Virginia	July 8, 2022, as amended _____________
Washington	June 28, 2022, as amended August 11, 2022
Wisconsin	June 15, 2022, as amended August 11, 2022

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

EXHIBIT U

RECEIPTS

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Cajun offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make payment to, Cajun or its affiliates in connection with the proposed sale or grant or sooner if required by applicable state law.

New York and Rhode Island require that Cajun give you this disclosure document at the earliest of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Iowa requires that Cajun give you this disclosure document at the earliest of the first personal meeting or 14 calendar days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Michigan requires that Cajun 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 Cajun 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 state agency listed in Exhibit A.

The franchisor is Cajun Global LLC, 980 Hammond Drive, N.E., Suite 1100, Atlanta, Georgia 30328. Its telephone number is (770) 350-3800.

Issuance Date: June 14, 2022, as amended August 11, 2022

The franchise seller for this offering is Cajun Operating Company, 980 Hammond Drive, N.E., Suite 1100, Atlanta, Georgia 30328 and Frank Costello, Vice President, Franchise Development, at 980 Hammond Drive, Suite 1100, Atlanta, GA 30328, or 770-350-3800.

Cajun Global LLC authorizes the respective agencies identified on Exhibit B to receive service of process for it in the particular state.

This disclosure document is to be used in the District of Columbia and all states (except Maryland, North Dakota and South Dakota).

I received a Church's Franchise Disclosure Document dated June 14, 2022, as amended August 11, 2022, that included the following exhibits (the effective dates of this disclosure document in states with franchise registration laws are listed on the State Cover Page):

A. List of State Administrators
B. List of State Agencies/Agents for Service of Process
C. Franchise Agreement
D. Amendment to Franchise Agreement for Convenience Stores and Travel Plazas
E. Amendment for Co-Branded Restaurants
F. Renewal Addendum
G. Development Agreement (Non-Exclusive)
H. Amendment to Development Agreement (Exclusive)
I. Franchisee List; Developer List; List of Franchisees Who Had an Outlet Close in FY2015
J. Operations Manual Table of Contents
K. Financial Statements
L. Compliance Questionnaire for New Franchisees/Developers
M. State-Specific Addenda to Disclosure Document
N. State-Specific Addenda to Franchise Agreement
O. State-Specific Addenda to Development Agreement
P. Cities with Certified Training Restaurants
Q. Sublease
R. Delivery and Catering Company Contract
S. Platinum Incentive Plan Addendum to Development Agreement and Platinum Incentive Plan Addendum to Franchise Agreement
T. Participation Memorandum
U. Receipts

______________________________ (Signature of Prospective Franchisee)

______________________________ Date

______________________________ Print

FRANCHISEE'S COPY

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Cajun offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make payment to, Cajun or its affiliates in connection with the proposed sale or grant or sooner if required by applicable state law.

New York and Rhode Island require that Cajun give you this disclosure document at the earliest of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Iowa requires that Cajun give you this disclosure document at the earliest of the first personal meeting or 14 calendar days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Michigan requires that Cajun 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 Cajun 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 state agency listed in Exhibit A.

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R. Delivery and Catering Company Contract
S. Platinum Incentive Plan Addendum to Development Agreement and Platinum Incentive Plan Addendum to Franchise Agreement
T. Participation Memorandum
U. Receipts

_________________________________ _________________________
(Signature of Prospective Franchisee) Date

____
Print

CAJUN'S COPY