FRANCHISE DISCLOSURE DOCUMENT

TMC FRANCHISE CORPORATION
an Arizona Corporation
1130 West Warner Road
Tempe, Arizona 85284
(602) 728-8000
www.circlek.com

This Disclosure Document describes the offer for the right to operate a retail convenience store and motor fuel business under the "Circle K" trade name and service marks and the Circle K business system (the "Franchised Business" or "Circle K Business"), which offers for sale Circle K-sourced motor fuel under the "Circle K" trade name and service marks and grocery items, consumer goods, food service items and other merchandise.

The total investment necessary to begin operations of a Circle K Business franchise is from $2,380,500 - $4,836,500 for a newly constructed Circle K Business and $932,000 - $3,029,500 if you are converting an existing convenience store and a gas station to a Circle K Business, which estimates assume that you will choose to operate an optional car wash as part of the Franchised Business. This includes $46,000 to $76,750 that must be paid to us or our affiliates whether you open a newly constructed Circle K Business or if you convert an existing convenience store/gas station to a Circle K Business. If you purchase an existing company-operated Circle K Business from us, the amount you will pay to us is difficult to estimate based on real estate costs as well as the ancillary businesses usually associated with a convenience store and varies depending on the purchase price we negotiate.

This Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. You must receive this Disclosure Document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no 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 Circle K Franchise Planning and Administrative Director, Mitch Filiere, at 1130 West Warner Road, Tempe, AZ 85284; telephone number 602-728-3958.

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

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

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

Issuance Date: July 22, 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 A.
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 B 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 CIRCLE K business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a CIRCLE K franchisee?	Item 20 or Exhibit A 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 C.

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution**. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Arizona. 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 Arizona than in your own state.

2. **Minimum Purchase Requirements**. You must purchase certain minimum quantities of motor fuel from us or our affiliate under the Motor Fuel Supply Agreement. Your inability to make such purchases may result in termination of your franchise and loss of your investment.

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

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

THE INFORMATION AND NOTICES APPEARING ON THE FOLLOWING TWO PAGES APPLY ONLY TO FRANCHISES TO BE LOCATED IN THE STATE OF MICHIGAN AND ARE REQUIRED BY MICHIGAN LAW.

IF YOU ARE NOT LOCATED IN MICHIGAN, THE FOLLOWING TWO PAGES OF INFORMATION DO NOT APPLY TO YOU.

* * * *

NOTICE FOR PROSPECTIVE FRANCHISEES WHO LIVE IN MICHIGAN OR WHOSE FRANCHISES WILL OPERATE IN MICHIGAN

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

(A) A PROHIBITION ON THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF 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 30 DAYS, TO CURE SUCH FAILURE.

(D) A PROVISION THAT PERMITS A FRANCHISOR TO REFUSE TO RENEW A FRANCHISE WITHOUT FAIRLY COMPENSATING THE FRANCHISEE BY REPURCHASE OR OTHER MEANS FOR THE FAIR MARKET VALUE, AT THE TIME OF EXPIRATION, OF THE FRANCHISEE'S INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES, AND FURNISHINGS. PERSONALIZED MATERIALS WHICH HAVE NO VALUE TO THE FRANCHISOR AND INVENTORY, SUPPLIES EQUIPMENT, FIXTURES, AND FURNISHINGS NOT REASONABLY REQUIRED IN THE CONDUCT OF THE FRANCHISED BUSINESS ARE NOT SUBJECT TO COMPENSATION. THIS SUBSECTION APPLIES ONLY IF: (I) THE TERM OF THE FRANCHISE IS LESS THAN 5 YEARS; AND (II) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, ADVERTISING, OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT RECEIVE AT LEAST 6 MONTHS ADVANCE NOTICE OF FRANCHISOR'S INTENT NOT TO RENEW THE FRANCHISE.

(E) A PROVISION THAT PERMITS THE FRANCHISOR TO REFUSE TO RENEW A FRANCHISE ON TERMS GENERALLY AVAILABLE TO OTHER FRANCHISEES OF THE SAME CLASS OR TYPE UNDER SIMILAR CIRCUMSTANCES. THIS SECTION DOES NOT REQUIRE A RENEWAL PROVISION.

(F) A PROVISION REQUIRING THAT ARBITRATION OR LITIGATION BE CONDUCTED OUTSIDE THIS STATE. THIS SHALL NOT PRECLUDE THE FRANCHISEE FROM ENTERING INTO AN AGREEMENT, AT THE TIME OF ARBITRATION, TO CONDUCT ARBITRATION AT A LOCATION OUTSIDE THIS STATE.

(G) A PROVISION WHICH PERMITS A FRANCHISOR TO REFUSE TO PERMIT A TRANSFER OR OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE. THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST REFUSAL TO PURCHASE THE FRANCHISE. GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO:

(I) THE FAILURE OF THE PROPOSED FRANCHISEE TO MEET THE FRANCHISOR'S THEN CURRENT REASONABLE QUALIFICATION OR STANDARDS.

(II) THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR SUBFRANCHISOR.

(III) THE UNWILLINGNESS OF THE PROPOSED TRANSFEREE TO AGREE IN WRITING TO COMPLY WITH ALL LAWFUL OBLIGATIONS.

(IV) THE FAILURE OF THE FRANCHISEE OR PROPOSED TRANSFEREE TO PAY ANY SUMS OWING TO THE FRANCHISOR OR TO CURE ANY DEFAULT IN THE FRANCHISE AGREEMENT EXISTING AT THE TIME OF THE PROPOSED TRANSFER.

(H) A PROVISION THAT REQUIRES THE FRANCHISEE TO RESELL TO THE FRANCHISOR ITEMS THAT ARE NOT UNIQUELY IDENTIFIED WITH THE FRANCHISOR. THIS SUBDIVISION DOES NOT PROHIBIT A PROVISION THAT GRANTS TO A FRANCHISOR A RIGHT OF FIRST REFUSAL TO PURCHASE THE ASSETS OF A FRANCHISE ON THE SAME TERMS AND CONDITIONS AS A BONA FIDE THIRD PARTY WILLING AND ABLE TO PURCHASE THOSE ASSETS, NOR DOES THIS SUBDIVISION PROHIBIT A PROVISION THAT GRANTS THE FRANCHISOR THE RIGHT TO ACQUIRE THE ASSETS OF A FRANCHISE FOR THE MARKET OR APPRAISED VALUE OF SUCH ASSETS IF THE FRANCHISEE HAS BREACHED THE LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND HAS FAILED TO CURE THE BREACH IN THE MANNER PROVIDED IN SUBDIVISION (C).

(I) A PROVISION WHICH PERMITS THE FRANCHISOR TO DIRECTLY OR INDIRECTLY CONVEY, ASSIGN, OR OTHERWISE TRANSFER ITS OBLIGATIONS TO FULFILL CONTRACTUAL OBLIGATIONS TO THE FRANCHISEE UNLESS PROVISION HAS BEEN MADE FOR PROVIDING THE REQUIRED CONTRACTUAL SERVICES.

* * * *

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL. ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO THE MICHIGAN DEPARTMENT OF THE ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ANTITRUST AND FRANCHISE UNIT, 670 LAW BUILDING, LANSING, MICHIGAN 48913.

TABLE OF CONTENTS

ITEM	PAGE
ITEM 1 THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES	1
ITEM 2 BUSINESS EXPERIENCE	5
ITEM 3 LITIGATION	6
ITEM 4 BANKRUPTCY	9
ITEM 5 INITIAL FEES	9
ITEM 6 OTHER FEES	12
ITEM 7 ESTIMATED INITIAL INVESTMENT	19
ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	24
ITEM 9 FRANCHISEE'S OBLIGATIONS	30
ITEM 10 FINANCING	31
ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING	33
ITEM 12 TERRITORY	42
ITEM 13 TRADEMARKS	44
ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	45
ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS	46
ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	46
ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	47
ITEM 18 PUBLIC FIGURES	50
ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS	50
ITEM 20 OUTLETS AND FRANCHISEE INFORMATION	64
ITEM 21 FINANCIAL STATEMENTS	69
ITEM 22 CONTRACTS	70
ITEM 23 RECEIPTS	70

EXHIBITS

A. LIST OF FRANCHISED OUTLETS

B. CONSOLIDATED FINANCIAL STATEMENTS

C. LIST OF STATE FRANCHISE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

D. TABLE OF CONTENTS OF BUSINESS SYSTEMS MANUALS

E. CIRCLE K ACKNOWLEDGMENT ADDENDUM

F. FRANCHISE AGREEMENT

- Exhibit 1 Data Sheet
- Exhibit 2 Electronic Point of Sale and Software Agreement
- Exhibit 3 Electronic Funds Transfer Authorization
- Exhibit 4 Funding Agreement
- Exhibit 5 Personal Guaranty
- Exhibit 6 Motor Fuel Supply Agreement
- Exhibit 7 Credit Network Agreement

G. MOTOR FUEL SUPPLY AGREEMENT

H. SAMPLE TERMINATION AND RELEASE AGREEMENT

I. PERSONAL GUARANTY

J. RENEWAL ADDENDUM

K STATE ADDENDA

L. STATE EFFECTIVE DATES

M. RECEIPTS

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

To simplify the language in this Disclosure Document, "TMC," "we" or "our" means TMC Franchise Corporation, the franchisor. "You" means the person or persons, including legal entities and their owners, who are buying the franchise.

We were incorporated under the laws of the state of Arizona on February 7, 1995, under the name Circle K Franchise Corporation. On September 27, 1997, we changed our name to TMC Franchise Corporation. Our principal business address is 1130 West Warner Road, Tempe, Arizona 85284, (602) 728-8000. Since October 2019, we have offered franchises for the operation of a combined retail convenience store and motor fuel business under the "Circle K" trade name and service marks and the Circle K business system, which business sells TMC (or its affiliate)-sourced motor fuel under the "Circle K" trade name and service marks and grocery items, consumer goods, food service items and other merchandise ("Circle K Businesses"). As of April 24, 2022 (the end of our last fiscal year), there were 4 franchised Circle K Businesses operating in the United States.

Under a separate franchise disclosure document, we have offered franchises for (i) Circle K convenience store businesses since 1995 ("Other Circle K Franchised Outlets"), (ii) Circle K motor fuel businesses (offering for sale TMC-sourced motor fuel under the Circle K marks) since July 2011 and (iii) Circle K branded businesses (offering for sale third-party sourced motor fuel under the Circle K marks) since July 2012. TMC continues to offer and sell these other Circle franchise opportunities under a separate franchise disclosure document. As of April 24, 2022 (the end of our last fiscal year), there were 636 Other Circle K Franchised Outlets (with or without motor fuel businesses) in the United States operating under franchise agreements offered under such separate franchise disclosure document. The company-operated Circle K stores identified in Item 20 of this Franchise Disclosure Document are also referenced in item 20 of the other franchise disclosure document pursuant to which we offer the franchise for the Other Circle K Franchised Outlets because such company-operated stores operate under substantially similar operating systems and standards.

Our agents for service of process are disclosed on Exhibit C.

Our Parents, Predecessors and Affiliates

Circle K Stores Inc. is our parent, the owner of all of our common stock, and the owner of the Circle K trademarks. Circle K Stores Inc. was incorporated under the laws of the State of Texas on June 8, 1951. The principal business address and telephone number of Circle K Stores Inc. is also 1130 West Warner Road, Tempe, Arizona 85284, (602) 728-8000. Circle K Stores Inc. has never offered franchises in any other line of business. Circle K Stores Inc. licenses TMC the right to use the trademarks in its franchise program.

Circle K Stores Inc. is a wholly-owned subsidiary of Circle K Delaware Inc., which is a Delaware corporation wholly-owned by Couche-Tard U.S Inc., a Delaware corporation. Couche-Tard U.S. Inc. is a wholly-owned subsidiary of Mac's Convenience Stores Inc., which is an Ontario, Canada corporation. None of Circle K Delaware Inc., Couche-Tard U.S. Inc., or Mac's Convenience Stores Inc. have ever offered franchises in any line of business. The principal business address of Couche-Tard U.S. Inc. and Circle K Delaware Inc. is 1130 West Warner Road, Tempe, Arizona 85284, (602) 728-8000. Mac's Convenience Stores Inc. is, through other subsidiaries, wholly-owned by the ultimate parent, Alimentation

Couche-Tard Inc. ("ACT"), a Canadian public company traded on the Toronto Stock Exchange. The principal business address for Mac's Convenience Stores Inc. and ACT is 4204 Boulevard Industriel, Laval, Québec, Canada H7L 0E3. Couche-Tard U.S. L.P., a predecessor of Couche-Tard U.S. Inc., acquired The Circle K Corporation on December 17, 2003, from ConocoPhillips Company. ConocoPhillips Company, however, is not a predecessor of TMC in as much as TMC has remained the franchisor of the Circle K franchise concept since TMC's inception in 1995.

As of the date of this Disclosure Document, ACT, through various subsidiaries, including TMC and Circle K Stores Inc., owns, operates or franchises in excess of 6,000 Circle K convenience stores (that may or may not include motor fuel business) similar to the convenience store franchised business offered under this Disclosure Document in the United States. As of the date of this Disclosure Document, ACT, through various subsidiaries, including Circle K Stores Inc., owns, operates or franchises in excess of 5,000 Circle K motor fuel businesses similar to the motor fuel franchised business offered under this Disclosure Document in the United States. Additionally, Circle K Stores Inc. currently sells motor fuel to third parties who do not operate a motor fuel business under the Circle K trademarks.

ACT is one of the largest convenience store operators in North America, with over 1,700 stores in Canada that are company-operated, operating under the Circle K brand as well as other brands. TMC has not conducted the type of business to be operated by you, but Circle K Stores Inc. and its predecessors have been operating convenience stores since 1951 and motor fuel businesses since 1951.

On May 28, 2009, TMC acquired the rights to the On the Run® franchise system from ExxonMobil Oil Corporation ("ExxonMobil"), including the rights to the On the Run trademarks and the existing On the *Run*® Franchise Agreements. TMC is the franchisor for 94 *On the Run* franchised locations and has the right to offer and sell franchises under the *On the Run* mark. The *On the Run* franchise is a convenience store program operated under the *On the Run* mark and in accordance with the *On the Run* franchise system. These locations are located in 6 states, primarily in the Eastern and Midwestern United States. TMC offers and sells the *On the Run* franchise opportunity under a separate franchise disclosure document. TMC operates the *On the Run* franchise business from its current principal place of business, 1130 West Warner Road, Tempe, Arizona 85284.

On March 16, 2015, Circle K Stores Inc. acquired The Pantry, Inc., which owns the rights to the Kangaroo Express® convenience store system, including the rights to the Kangaroo Express trademarks and the existing Kangaroo Express® convenience store assets. TMC has been offering and selling franchises under the Kangaroo Express marks for the operation of Kangaroo Express convenience stores since November 2015. TMC offers and sells the Kangaroo Express franchise opportunity under a separate franchise disclosure document. As of April 24, 2022, TMC is the franchisor of 100 Kangaroo Express franchised locations in ten states, primarily in the Southeastern United States. TMC operates the Kangaroo Express franchise business from its current principal place of business, 1130 West Warner Road, Tempe, Arizona 85284.

On June 28, 2017, ACT acquired CST Brands, Inc., an operator of over 1,100 convenience stores in the United States under the following brands: Corner Store (located throughout the United States), Nice N Easy Grocery Shoppes (in New York), and the Flash Foods Network (in Georgia and Florida). ACT and its affiliates have converted over 800 Corner Store convenience stores into Circle K stores over the past four years, and plan to convert and/or close the remaining 4 Corner Store convenience stores over the next year. As of April 24, 2022, TMC is the franchisor of 11 Corner Store franchised locations in the state of

Arkansas, although TMC no longer offers and sells the Corner Store franchise opportunity. TMC does not have any plans to offer or sell franchises under the Corner Store brand or the other two acquired brand names (Nice N Easy Grocery Shoppes and Flash Foods Network).

On December 22, 2017, ACT acquired all of the membership interests of Holiday Stationstores, LLC and certain affiliated companies. As a component of this transaction, TMC acquired all of the membership interests of Holiday Diversified Services, LLC ("HDS") in exchange for a capital contribution, and so TMC is the direct parent of HDS. HDS is a franchisor of *Holiday Stationstores*® that sell automotive fuels and convenience stores products and services and that operate under the *Holiday Stationstores*® mark and in accordance with the *Holiday Stationstores*® franchise system. HDS offers and sells the *Holiday Stationstores*® franchise opportunity under a separate franchise disclosure document. HDS operates the franchise business from its principal place of business, 4567 American Boulevard West, Minneapolis, Minnesota 55437. As of April 24, 2022, there were 114 *Holiday Stationstores*® franchises operating in the U.S.

Circle K Stores Inc. has, directly or through its affiliates, offered Circle K licenses internationally since 1979. Circle K Procurement and Brands Limited, an affiliate of Circle K Stores Inc., offers Circle K franchises in a number of countries around the world. Circle K Procurement and Brands Limited's principal business address is: Topaz House, Beech Hill, Clonskeagh, Dublin 4, Ireland. As of April 24, 2022, there were over 1,800 Circle K licensed stores outside the U.S.

From 1987 until February 2012, TMC's affiliate, Mac's Franchise Management, LLC ("MFM"), organized in Delaware on August 29, 2002, with principal business address of 315 Commons Mall, Columbus, Indiana 47201, offered franchises for convenience stores under the Dairy Mart brand ("Dairy Mart Franchises"). In March 2012, MFM merged into its parent entity, Mac's Convenience Stores LLC, a Delaware limited liability company organized on April 27, 2001 ("MCS"), with MCS being the surviving entity in the merger. Since the merger in March 2012, MCS has been offering Dairy Mart Franchises in the U.S. MCS's principal business address is 315 Commons Mall, Columbus, Indiana 47201. As of April 24, 2022, there were 12 Dairy Mart franchised stores in the U.S., located in the following states: Ohio – 9; Michigan –2; and Indiana – 1.

Except as noted in this Item 1, we and our predecessors and affiliates have not offered franchises in the convenience store/motor fuel business or in other lines of business.

The Franchise Offered

We offer to certain qualified franchisees a franchise arrangement for Circle K Businesses which consists of a Convenience Store and Motor Fuel Franchise Agreement (the "Franchise Agreement") for the right to use the "Circle K" mark and other distinctive Marks, as defined below, and the business system in connection with the operation of a single Circle K convenience store and motor fuel business. In addition, we may, from time to time, enter into a Franchise Agreement with existing convenience store/gas station operators, existing dealers or existing marketers. From time to time, we also have offered and may offer in the future, franchises to certain types of operators whose sites are acquired in transactions. The terms and conditions of the Circle K franchises offered to those operators may be materially different from the terms and conditions described in this Disclosure Document. The Franchise Agreement which you will be required to sign is the form of Franchise Agreement attached to this Disclosure Document as Exhibit F. In addition, you will be required to sign our form of Motor Fuel Supply Agreement attached as an exhibit to the Franchise Agreement and included in this Disclosure Document as Exhibit G (the "Motor Fuel

Agreement"), pursuant to which you will be required to purchase your motor fuel supply from us or our affiliate. We also will provide you with training and continuing support as described in this Disclosure Document and will provide you access to an online copy of the Circle K Business Systems Manuals.

The Circle K Businesses

Circle K Businesses are characterized by a unique system (the "Business System"), which includes distinctive exterior and interior design, decor, color schemes, and furnishings; required signage; uniform standards, specifications, and procedures for operation; quality and uniformity of products and services offered; procedures for inventory and management control; training and assistance; and advertising and promotional programs. A Circle K Business that is franchised to operate as a "Circle K" shall be a full-service convenience store and motor fuel business with sufficient floor space, vehicle parking, and inventory levels to offer all of the merchandise and services of a traditional convenience store, that offers only Circle K-supplied and branded fuel, and that complies with the specifications of a Circle K Business as further described in the Business Systems Manuals. We may make changes from time to time to the Business System, including operating standards, facility, equipment, and fixture requirements. You may have to make additional investments in the Franchised Business periodically during the term of the Franchise Agreement if such changes are made or if the Franchised Business' equipment or facilities wear out or become obsolete, or for other reasons.

The Business System is identified by means of certain trade names, trademarks, service marks, logos, and commercial symbols (defined as the "Marks" in item 13), including the Circle K Mark, which provide recognition of the Business System to your customers.

General Market and Competition

The convenience store and motor fuel businesses are highly competitive with respect to products, price, service, location, food service, and quality of service, and is often affected by changes in consumer tastes, economic conditions, population, and traffic patterns. You must anticipate competing with numerous other convenience stores and motor fuel businesses offering a wide range of comparably priced products and services and a wide variety of service formats. The businesses with which you should expect to compete include, in general, national or regional chains and other franchised systems, and independently owned and operated local businesses located in the area of your Circle K Business, which offer similar products and services to the same customers, as well as traditional grocery stores and gas stations.

On the whole, convenience store and motor fuel business sales tend to be higher in the summer months, although the difference in sales from season to season varies depending upon the climate where a particular business is located. Your business will also be affected by its location, the locations of competing stores and other businesses, your financial and managerial capabilities, availability of labor, interest rates, changes in traffic patterns, demographic or cultural conditions, and other factors. There is also active competition for management and service personnel, as well as for attractive commercial real estate sites suitable for convenience stores and motor fuel businesses.

Industry-Specific Regulations

When developing a convenience store and motor fuel business, you must consider local land use planning and zoning requirements, national and local environmental requirements, employment law matters, occupational health and safety regulations, the Americans With Disabilities Act, and any other

regulations specific to the convenience retail business. In some states you may be required to obtain alcohol, tobacco, lottery, restaurant, pharmacy, business and occupational, food products, fuel retailing, and miscellaneous other permits in addition to permits that are otherwise required for convenience stores/gas stations. Some states may also have laws regarding who may secure these permits. For this reason, we recommend you retain an attorney or other advisor to advise you on regulations specific to the state where your Circle K Business will be located.

Additionally, you must comply with all local, state and federal laws, statutes and ordinances related to the sale of motor fuel and environmental protection and compliance. You also must comply with all applicable local, state and federal underground storage tank ("UST") requirements whether currently in effect or which may come into effect in the future, including, but not limited to: (i) required inspections of any release detection equipment for USTs and product lines; (ii) required inspections of any automatic tank gauging equipment; and (iii) maintenance and required inspections of any vapor recovery equipment. You must become informed about and comply with all applicable local, state and federal requirements related to the generation, handling, transportation, treatment, storage and/or disposal of solid or hazardous wastes. You also must implement appropriate recycling, waste management and waste minimization practices and procedures as necessary to remain in compliance with all applicable local, state and federal environmental protection and compliance requirements.

ITEM 2
BUSINESS EXPERIENCE

Director of TMC, Timothy Alex Miller

Mr. Miller has been a Director of TMC since December 2021. Mr. Miller was our Executive Vice-President, Operations, North America, and Global Optimization from March 2021 until December 2021 after occupying the position of our Executive Vice President, Commercial Optimization from May 2019 until March 2021. Previously, Mr. Miller held the position of our Senior Vice-President, Operations and Global Fuels from December 2017 until May 2019, as our Senior Vice-President, Global Fuels from November 2016 until December 2017, and as our Vice-President, Fuels from October 2012 until November 2016. Mr. Miller works from Charlotte, North Carolina.

Director and Corporate Secretary, Kathy Cunnington

Ms. Cunnington works from Tempe, Arizona and has been a director and Corporate Secretary of TMC since March 2012. She has also been Senior Vice President, Global Shared Services of Circle K Stores Inc. since January 2018. From January 2014 until December 2017, she was Vice President, Shared Services of Circle K Stores Inc.

President of TMC and Vice President of Worldwide Franchise Business Unit, Patrick Fitzpatrick

Mr. Fitzpatrick works from San Antonio, Texas, and has been President of TMC and Vice President of our Worldwide Franchise Business Unit since February 2022. Prior to that, Mr. Fitzpatrick served as Head of Full Franchise of TMC from March 2021 to January 2022, Divisional Operations Director of Circle K Stores Inc. from July 2020 to February 2021, and Marketing Director for the Texas Business Unit of Circle K Stores Inc. from July 2017 to June 2020.

Director of Franchise Development (Worldwide Franchise Business Unit), Christian (CJ) Scott

Mr. Scott works from Lancaster, California, and has been Director of Franchise Development for TMC since December 2021. From November 2016 to December 2021, Mr. Scott served as Regional Director of Operations in the California Business Unit of Circle K Stores Inc.

Director of Franchise Development (West Coast Business Unit), Rajesh Narang

Mr. Narang works from Corona, California, and has been Director of Franchise Development for the West Coast Business Unit of Circle K Stores Inc. since January 2021. From May 2016 to January 2021, Mr. Narang served as Franchise Development Manager for TMC.

Assistant Secretary and Director of Franchise Planning and Finance, Mitch Filiere

Mr. Filiere works from Tempe, Arizona, and has been Assistant Secretary of TMC since December 2003 and Director of Franchise Planning and Finance since December 1999.

Fuels Manager, Franchise – U.S./Ontario, Joseph Bair

Mr. Bair works from Charlotte, North Carolina and has served as our Fuels Manager, Franchise since October 2018. From January 2018 to October 2018, he was Manager of Training, Wholesale Fuels for Circle K Stores Inc. From June 2016 to January 2018, he was Fuel Strategy & Project Manager, Mexico for TMC. From August 2006 to June 2016, he was Fuels Manager, Southeast for Circle K Stores, Inc.

ITEM 3
LITIGATION

TMC Franchise Corporation v. Broadway Restaurants, Inc., Zuri Barnes, Case No. 21STCV 19544 (Los Angeles County Sup. Ct.). On September 13, 2019, TMC terminated for cause the Circle K franchise agreement with Broadway Restaurants, Inc. ("BRI"), after BRI failed to cure its defaults under the franchise agreement, following several opportunities to cure provided by TMC. Following the termination, TMC made multiple attempts to contact BRI to cause BRI to comply with its post-termination obligations. When such attempts proved unsuccessful, on May 25, 2021, TMC filed this action against BRI and Zuri Barnes, BRI's guarantor under the terminated franchise agreement (collectively with BRI, the "Defendant"), due to the Defendant's failure to comply with its post-termination obligations under its terminated franchise agreement, including failure to de-identify the Circle K store operated under the franchise agreement and failure to pay liquidated damages as required under the franchise agreement. TMC is seeking damages of $61,444 as well as recovery of attorneys' costs and fees. Defendant filed a cross-complaint on September 17, 2021, seeking damages in excess of $5,000,000 and alleging that TMC failed to comply with its

obligations under the Circle K franchise agreement, including failing to advertise Defendant's Circle K store, engaging in price fixing, and failing to deposit rebates to Defendant, which actions the Defendant further alleges constituted a breach of the implied covenant of good faith and fair dealing, and unfair business practices under California Business & Professions Code section 17200. TMC disputes all material allegations against it and that Defendant is entitled to any purported damages Promptly after the filing of the cross-complaint, TMC filed a demurrer requesting the court to dismiss the cross-complaint in its entirety, as well as a motion to strike portions of the cross-complaint, including the damages requested, as contrary to well-established California law. The Court granted the demurrer in part and limited Defendant's right to claim damages. The case is proceeding with discovery and TMC expects to file a Motion for Summary Judgment in the next few months.

Universal Property Services, Inc., et al. v. Lehigh Gas Wholesale Services, Inc., et al., Case No. 3:20-CV-03315-FLW-TJB (D. N.J.). A former franchisee and its guarantor ("Plaintiffs") filed a lawsuit in the U.S. District Court for New Jersey on March 26, 2020, against Lehigh Gas Wholesale Services, Inc., Lehigh Gas Wholesale LLC, and LGP Realty Holdings LP (together, "Lehigh Defendants"). On April 10, 2020, Plaintiffs filed an amended complaint adding TMC Franchise Corporation ("TMC") and Circle K Stores, Inc. ("Circle K Stores") as defendants and asserting new claims against them. The amended complaint included common law and statutory claims alleging that TMC and Circle K Stores made misrepresentations and omissions in connection with the sale of 17 existing corporate-owned Circle K® convenience stores to Plaintiffs in 2019. The amended complaint also alleged that Circle K Stores wrongfully invoiced the franchisee under amended inventory agreements. In June 2020, TMC filed a motion to dismiss all claims against it and Circle K Stores filed a motion to dismiss all but one of the claims against it. On April 30, 2021, the district court directed Plaintiffs to file a Second Amended Complaint in light of its ruling that Florida law would not apply. On May 21, 2021, Plaintiffs filed a Second Amended Complaint against TMC, Circle K Stores, and the Lehigh Defendants. The Second Amended Complaint included the same common law claims against TMC and Circle K Stores alleging misrepresentations and omissions. It also included a claim under the Arizona Consumer Fraud Act against TMC based on the same allegations. Finally, it included the same breach-of-contract claim against Circle K Stores. The Second Amended Complaint, however, dropped all statutory claims against Circle K Stores. Plaintiffs allege damages in excess of $10 million against TMC and Circle K Stores. TMC and Circle K Stores dispute all the material allegations against them and dispute that Plaintiffs are entitled to any purported damages. TMC also filed a counterclaim against Plaintiffs for liquidated damages arising under the Franchise Agreements as a result of Plaintiffs materially breaching those agreements. TMC is seeking over $1.1 million in damages from Plaintiffs. Plaintiffs deny the allegations of TMC's counterclaim. TMC and Circle K Stores intend to vigorously defend against this action.

TMC Franchise Corporation et al. v. Golen, et al., Case No. 6:19-CV-1970 (M.D. Fla.). TMC Franchise Corporation ("TMC") and its parent company Circle K Stores, Inc. ("Circle K Stores") filed a lawsuit in the U.S. District Court for the Middle District of Florida on October 16, 2019, against its former franchisee Ishan Interprices, Inc., and the former franchisee's guarantors Narinder Golen and Poonam Golen (together, "Defendants"). TMC filed an amended complaint on December 20, 2019, alleging that Defendants, after early termination of the franchise agreement, failed to pay liquidated damages under the franchise agreement and amounts owed under a funding agreement. Defendants filed counterclaims alleging that certain inventory-related terms of the franchise agreement were unconscionable and alleging incomplete disclosures during the franchise sales process in violation of Florida's Unfair and Deceptive Trade Practices Act. Defendants sought rescission of the franchise agreement, return of all money paid by Defendants, any other damages necessary to return the parties to a pre-contractual state, damages available under Florida's

Unfair and Deceptive Trade Practices Act, and attorneys' fees and costs. The parties resolved the lawsuit through a settlement agreement effective April 27, 2020, which included mutual releases of claims and payment of certain amounts to TMC and Circle K Stores.

Litigation by TMC Against Franchisees in the Last Fiscal Year. During fiscal year 2022, we initiated one lawsuit against a franchisee to enforce post-termination obligations, as follows:

Circle K Stores Inc. and TMC Franchise Corporation v. 5 Star Oil Florida, LLC, Hyder Ali, Boca Gas Co. Inc., Abbas Jaferi, and Ather Sultana Jaferi, Mohammad Babar and Rusdia Oil, Case No. 05-2021-CA-012689, filed on November 16, 2021 in Palm Beach County, Florida Circuit Court, 15th Cir.

Defendants 5 Star Oil Florida, LLC and Hyder Ali ceased performance under and breached the Franchise Agreement, resulting in its termination by TMC in April 2021. Shortly thereafter, Defendants Boca Gas Co. Inc. and Abbas Jaferi willfully abandoned the fuel agreements for the premises, wrongfully debranding from ExxonMobil to Chevron, and buying fuel from sources other than Circle K Stores Inc. ("CKSI") in violation of the fuel agreement's requirements to buy solely from CKSI and sell under the ExxonMobil brand.

TMC is seeking damages for the early termination of the Franchise Agreement, which are in excess of $150,000. The damages for early termination of the fuel agreements are in excess of $180,000 plus liquidated damages should the store no longer sell fuel purchased from CKSI. The site is leased from a third party.

Defendants Babar Rusdia failed to appear and CKSI and TMC obtained a default judgment against them. The case is in discovery as to the remaining Defendants, with depositions scheduled of all the principal Defendants in July 2022.

Administrative Orders Involving Affiliates and not involving Franchisor:

Decision and Order and Order to Maintain Assets of the United States Federal Trade Commission ("FTC") in the Matter of Alimentation Couche-Tard Inc., a corporation, and CrossAmerica Partners LP, a limited partnership; Docket No. C - 4635, FTC file number 171-0184.

In connection with the acquisition by ACT of equity interests in HDS and certain of its affiliates, as described in Item 1 of this Disclosure Document (the "Transaction"), on November 29, 2017, ACT and CrossAmerica Partners, LP ("CAPL" and collectively with ACT, "Respondents") executed an Agreement Containing Consent Orders with the Federal Trade Commission ("FTC") (the "Consent Agreement"). The Consent Agreement contained an Order to Maintain Assets, which was issued on December 15, 2017, and a Decision and Order (the "Order"), which was issued on February 15, 2018 following a statutory public comment period. The Consent Agreement resolves allegations by the FTC that the Transaction violates the Clayton Act, as amended, 15 U.S.C. section 18, and the Federal Trade Commission Act, as amended, 15 U.S.C. section 45. Pursuant to the Consent Agreement, Respondents were required to divest a total of 10 convenience stores operated by Respondents or their affiliates. Three of such stores were Holiday Stationstore locations in Wisconsin operated by CAPL, as a franchisee of HDS. The signing of the Consent Agreement was for settlement purposes only and does not constitute any admission of liability by Respondents. These stores were divested in September 2018, after the June 15, 2018 deadline specified in the Order. As a result, on July 6, 2020, the FTC filed a Complaint for Civil Penalties Pursuant to Section 5(l) of the FTC Act against Respondents to obtain civil penalties for violations of the Order, alleging that

Respondents failed to timely divest the 10 stores as required under the Order, failed to provide accurate and detailed information in their compliance reports as required under the Order, and failed to maintain business operations at one of the stores as required under the Order. Also on July 6, 2020, the parties entered into a Stipulation on Final Judgment against Respondents in settlement of disputed claims and without any admission of liability by Respondents, pursuant to which Respondents agreed to pay a civil penalty of $3,500,000 within 30 days of the final judgment.

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

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Initial Franchise Fee

If you are signing one Franchise Agreement for a single Circle K Business, the Initial Franchise Fee is $25,000. The Initial Franchise Fee must be paid with a cashier's check in a lump sum and is paid when you sign the Franchise Agreement. Except as noted below, the Initial Franchise Fee is earned upon receipt and is non-refundable. During our last fiscal year, the Initial Franchise Fees paid to us for a single-Circle K Business Franchise Agreement ranged from $5,000 to $25,000. The low end of the range represents the Initial Franchise Fee being reduced in connection with the franchisee committing to sign multiple single-Circle K Business Franchise Agreements.

If you agree to develop multiple Circle K Businesses, the Initial Franchise Fee you will pay for your first Circle K Business will be $25,000, but we may reduce the Initial Franchise Fee you will pay for each additional Circle K Business you agree to develop consistent with our multi-store operator Initial Franchise Fee schedule (the "MSO Initial Franchise Fee Schedule") in effect at the time you sign a franchise agreement for your additional Circle K Business. The current MSO Initial Franchise Fee Schedule is as follows:

Number of Circle K Businesses	Amount of Initial Franchise Fee Per Circle K Business
1	$25,000
2-5	First Circle K Business: $25,000 each additional Circle K Business $15,000
6-9	First Circle K Business: $25,000 each additional Circle K Business $10,000

10-19	First Circle K Business: $25,000 each additional Circle K Business $7,500
20+	First Circle K Business: $25,000 each additional Circle K Business $5,000

As an illustration, if upon becoming our franchisee, you agree to open two Circle K Businesses, regardless of whether you sign both franchise agreements at the same time, you will pay a total Initial Franchise Fee of $40,000 ($25,000 for the first Circle K Business and $15,000 for the second Circle K Business). If you agree to open six Circle K Businesses, regardless of whether you sign all six franchise agreements with us at the same time or not, you will pay an Initial Franchise Fee equal to $25,000 for the first Circle K Business and an Initial Franchise Fee of $10,000 for each of the additional five Circle K Business, totaling $75,000 for all six Circle K Businesses. We reserve the right to change or withdraw this program at any time.

Regardless of whether you are opening a single Circle K Business or multiple Circle K Businesses, if you do not complete any portion of our initial training program to our satisfaction, or if any financial, personal, or other information you provided to us is materially false, misleading, incomplete, or inaccurate, or if we determine that you lack the necessary business experience or we determine you are incapable of properly managing the Circle K Business, your Franchise Agreement may be terminated and your Initial Franchise Fee will not be refunded. If you are unable to secure any necessary permits for the construction of your Circle K Business despite your good faith efforts and due diligence, we may refund the Initial Franchise Fee, less all reasonable expenses incurred by us in processing your application, providing you our initial training program, any travel expenses we incur, expenses incurred for our employees' time for meetings and consultation with you, the costs incurred in preparing a store development package and floor plan development, long distance telephone calls, attorneys' fees, and other related expenses. We do not give refunds under any other circumstances.

Security Deposit

In addition, in connection with the signing of the Motor Fuel Agreement, you will pay us a deposit in an amount ranging from $20,000 to $50,000 ("Security Deposit"). The amount of the Security Deposit you will be required to pay will depend on a number of factors, including the size of the storage tanks on your premises, expected through-put and your credit score, will be determined by us and will be set forth in the Data Sheet to the Franchise Agreement. The Security Deposit will be deposited into a non-interest-bearing account (the "Security Deposit Account").

The Security Deposit is paid to secure your payment of all monies due under, and performance and observance of all the terms, covenants and conditions contained in the Motor Fuel Agreement. If you fail to timely pay any amount due and owing under the Motor Fuel Agreement, we may draw upon the Security Deposit and apply the funds toward the payment of an amount due and owing to us. If we draw upon the Security Deposit, you must immediately pay us an amount sufficient to restore the Security Deposit to its prior level.

Upon termination, expiration or non-renewal of the Motor Fuel Agreement, we may also draw upon the Security Deposit to satisfy any past due amounts, loss, damage, injury or liability caused by your failure to perform any condition, covenant or term of or make any payment under the Motor Fuel Agreement. Any remaining balance of the Security Deposit Account will then be refunded to you.

If the premises where your Circle K Business is located are owned by us or our affiliate, we may (but are not obliged to) reduce or waive the amount of Security Deposit you are required to pay.

Regional In-Store Training Fee

You or your operations manager and your store manager will be required to attend a two-week regional in-store training program conducted by our trainers at a company-operated location. The current fee for the regional in-store training program is $500 per person (i.e., $1,000 for two attendees).

Site Development Fee

Prior to the opening of the Circle K Business, after you have finalized your Circle K Business floor plan and we have approved it, you must also pay us a Site Development Fee in the amount of $750, which fee will cover the costs and expenses incurred by us in preparing a marketing floor plan for the Circle K Business. The Site Development Fee will be paid out of the Funding (See Item 10) that you receive, or, if you do not accept Funding, you will be required to pay this amount to us upon execution of the Franchise Agreement.

Acquisition of Existing Circle K Business

In addition to the Initial Franchise Fee, and regardless of whether you are opening a single Circle K Business or multiple Circle K Businesses, in the instances where you are purchasing an existing company-operated Circle K Business, your initial investment will consist of the purchase price that we and you negotiate as well as the merchandise inventory of the Circle K Business in the range of $60,000 to $100,000 (non-refundable) as further described in Item 7.

Vet Fran Program

We participate in the Veterans Transition Franchise Initiative (commonly referred to as "Vet Fran"), which seeks to provide opportunities for veterans who want to be in business. If you provide acceptable documentation that you have received an honorable discharge from the United States Army, Navy, Air Force, Marine Corps or Coast Guard, you may be eligible to receive a 10% discount off of the Initial Franchise Fee amount due at the time you sign the Franchise Agreement.

ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fees	The greater of (a) (i) 3.5% of Gross Sales and (ii) $0.0075 per gallon of Motor Fuel Sales, or (b) $1,500 per Accounting Period, per Franchised Business, but see Note 2.	Currently payable on the 15th day after the end of each Accounting Period by electronic funds transfer. We reserve the right to change the due date upon 30 days' prior notice.	Accounting Period means the accounting period as determined by us in writing from time to time, currently a 28-day period or a 35-day period, as we specify in writing. See Notes 1 and 2.
Royalty for Additional Business product or service offering	Currently, 1.0% of Gross Sales of an Additional Business that is a coffee/pastry offering	Payable at the same time and in the same manner as Royalty Fees	See Note 3.
Optional Program Fees	Varies depending on the program but currently ranges from 5% to 75% of Optional Program revenue	Payable at the same time and in the same manner as Royalty Fees	See Note 4.
Promotional Fees	General Promotional Fee: 0.25% of Gross Sales (on Gross Sales of up to $125,000) for general promotional costs Local and Regional Promotional Fee: Up to 1.25% of Gross Sales (on Gross Sales of up to $125,000) for local and regional promotional costs National Promotional Fee: Up to 0.25% of Gross Sales (on Gross Sales of up to $125,000)	Payable at the same time and in the same manner as Royalty Fees	See Note 5.
Motor Fuel Purchase Price	Varies	Three days after delivery of motor fuel	You are required to purchase all motor fuel from us. See Note 6.
Motor Fuel Pass-Through Fee	$35 to $50 per delivery	Upon demand	See Note 7.
Interest	Lower of maximum legal rate allowed by law or 1½% per Accounting Period	Upon demand	See Note 8.
Insufficient Funds Fee	The then-current fee; currently $50 per payment or the maximum legal rate allowed by law	Upon demand	See Note 8.
Late Fee	$25 per day beginning on the 11th day after the due date	11th day after the due date	If you fail to provide us when due any sales, financial statements or other report and such failure continues for a period of 10 days past the due date you must pay us a late fee

Type of Fee	Amount	Due Date	Remarks
Audits and Inspections	Cost of audit/inspection plus late payments as noted above; annual cost of inspection generally ranges from $0 to $400.	Upon demand	Costs include travel, salaries and other expenses. See Note 9.
Software License Fee	$0 per Accounting Period (currently)	Payable at the same time and in the same manner as Royalty Fees	Right to charge upon sixty (60) days' written notice. See Note 10.
POS and Back-Office System Support and Maintenance Fees	Based on prevailing fee schedule; current fees range from $600 to $1,000 per Accounting Period.	Payable at the same time and in the same manner as Royalty Fees	This amount covers our support and maintenance services for the POS and Back-Office System. We reserve the right to change the support/maintenance services and these fees on 30 days' advance written notice, up to an increase in fees of 10% in any 12-month period. You must also execute the Electronic Point of Sale and Software Agreement attached to the Franchise Agreement as Exhibit 2.
Transfer Fee	The then-current Initial Franchise Fee	Payable prior to or on the date of transfer	Reduced Transfer Fee may apply in certain circumstances. See Note 11.
Relocation Fee	50% of then-current Initial Franchise Fee	Payable prior to the relocation date	Only payable if you move the location of your Circle K Business during the term.
Liquidated Damages (Franchise Agreement)	An amount equal to royalty payments for a period equal to lesser of 52 Accounting Periods or the remaining term of the Franchise Agreement, based on the average royalty fee payments per Accounting Period payable by you for the most recent 13 Accounting Periods or for a shorter period if the Franchise Agreement hasn't been in effect for 13 Accounting Periods.	Payable upon termination of the Franchise Agreement	See Note 12.

<table>
<tr><th>Type of Fee</th><th>Amount</th><th>Due Date</th><th>Remarks</th></tr>
<tr><td>Liquidated Damages (Purchase of Fuel)</td><td>An amount equal to the greater of: (i) $0.035 per gallon multiplied by the minimum Accounting Period volume in motor fuel gallons set forth in the Motor Fuel Agreement, multiplied by the lesser of (a) 52 Accounting Periods or (b) the number of Accounting Periods remaining under the term of the Motor Fuel Agreement, or (ii) $0.035 per gallon multiplied by the average Accounting Period volume in motor fuel gallons actually purchased by you (calculated for the period starting on the effective date of the Motor Fuel Agreement until the termination date) multiplied by the lesser of (a) 52 Accounting Periods or (b) the number of Accounting Periods remaining under the term of the Motor Fuel Agreement.</td><td>Payable upon termination of the Motor Fuel Agreement</td><td></td></tr>
<tr><td>Debit/Credit Card Fee/Service Charges</td><td>The then-current fees; currently:<table><tr><th>Card Type</th><th>Per Transaction Fee</th><th>Processing Fee</th></tr><tr><td>Visa</td><td rowspan="3">$ 0.12</td><td rowspan="3">1.80%</td></tr><tr><td>Master Card</td></tr><tr><td>Debit</td></tr><tr><td>All Others</td><td>$ 0.10</td><td>3.25%</td></tr></table></td><td>Upon demand</td><td>You will be required to pay us any debit/credit card (processing) fees and/or service (transaction) fees that we charge in connection with debit/credit card transactions. TMC reserves the right to modify the debit/credit card and/or service charge fees from time to time on 30 days’ advance written notice. See also Note 13.</td></tr>
<tr><td>Liquidated Damages (Credit Network Agreement)</td><td>An amount equal to the lesser of (i) 52 or (ii) the remaining number of Accounting Periods under the term of the agreement, multiplied by $3,000.</td><td>Payable upon termination of the Credit Network Agreement</td><td></td></tr>
<tr><td>Reimbursement of Funding</td><td>You must pay us either (a) the entire amount of the Funding (as defined in Item 10), if the Franchise Agreement is terminated during the first 36 months from the Open Date, or (b) if the Franchise Agreement is terminated after the first 36 months from the Open Date, the entire amount of the Funding less 1/120 of the funding for each month the Circle K Business was open and operating in full compliance with the terms of the Franchise Agreement.</td><td>Payable upon termination of the Franchise Agreement</td><td>We will maintain a security interest in all of your assets until the Franchise Agreement expires or, in the event of termination, until either (a) the entire amount of the Funding, or (b) the unamortized portion of the Funding, as applicable, is paid to us. At such time, we will release the security interest.</td></tr>
</table>

Type of Fee	Amount	Due Date	Remarks
Debranding Fee	If you fail to debrand your site to our satisfaction, you must reimburse us for all costs we incur in removing from the former Franchised Location items of trade dress (such as special valances, aimers, etc.), signs and other promotional materials bearing the Circle K Marks or otherwise related to the business system. We estimate this amount to be $10,000.	Payable upon demand	See Note 14.
Renewal Fee	Currently $0	See Note 15	See Note 15
Taxes	Varies	Payable upon demand	You must pay to us or any governmental agency designated by us any duty, tax, fee or other charge required by any municipal, state, federal or other law relating to the production, manufacture, inspection, transportation, storage, sale, delivery or use of products covered by the Motor Fuel Agreement.

Notes to table:

Unless otherwise stated in this Disclosure Document, all fees are imposed by and payable to us or our affiliates and are nonrefundable. The fees outlined in this table are uniformly imposed throughout the Circle K system except as provided for herein. On occasion, we may consider, with respect to you or other franchisees, reducing one or more fees described in the Item 6 to fit a particular concern, taking into account a variety of factors, including, but not limited to, where a franchisee agrees to develop a significant number of Circle K Businesses, a franchisee agrees to significantly accelerate its historical development patterns, a franchisee agrees to develop Circle K Businesses in a new territory, a franchisee proposes to develop unique sites or a franchisee desires to rebuild its franchised Circle K Business at the current site.

All periodic payments required by the Franchise Agreement must be paid by electronic funds transfer via the Automated Clearing House ("ACH") or wired to us or our affiliate by the 15th day of each Accounting Period for the preceding Accounting Period's business activity. If the 15th day of the Accounting Period falls on a Saturday or Sunday, such fees shall be paid on the Monday following the 15th day of the Accounting Period. Any payment not actually received on or before such date will be deemed overdue.

[1]"Gross Sales" means the total dollar income from the sale of all goods, wares, merchandise, and services (including car wash services provided using the Marks), whether sold for cash, for payment by check, on credit, on barter or otherwise, without reserve or deduction for the inability or failure to collect from customers, and all other items of value received by you as payment in the course of such operations (including, without limitation, handling and placement fees and fees for the operation of coin-operated and other machines), excluding the following:

(i) motor fuel sales, money orders, lottery, pay phones, ATMs, postage stamps, pre-paid phone cards, gift cards, and gaming machines;

(ii) sales from other approved royalty-based franchises that require separate point-of-sale equipment as part of their business system (excluding any approved Additional Business (as defined below in Note 5) which is subject to the separate Co-Branded Royalty Fee noted in the table above);

(iii) authorized cash or credit refunds made upon transactions that were previously included in Gross Sales, not exceeding the selling price of merchandise returned by the purchaser and accepted, which refunds may be deducted from Gross Sales in the Accounting Period made;

(iv) the amount of any separated, collected, and stated city, county, state, or federal sales, luxury, or excise tax on such sales, which you pay directly to the taxing authorities rather than to suppliers; provided, however, that no franchise or capital-stock tax or any other similar tax based upon income, profits, or gross sales shall be deducted from Gross Sales; and

(v) other products or services we may from time to time approve in writing for calculation of gross sales on the basis of earnings as opposed to sales proceeds.

"Motor Fuel Sales" means the total dollar income from the sale of all motor fuel, whether sold for cash, for payment by check, on credit, on barter or otherwise, without reserve or deduction for the inability or failure to collect from customers, and all other items of value received by you as payment in the course of such operations, excluding the amount of any separated, collected, and stated city, county, state, or federal sales, luxury, or excise tax on such sales, which you pay directly to the taxing authorities rather than to suppliers; provided, however, that no franchise or capital-stock tax or any other similar tax based upon income, profits, or gross sales shall be deducted from Motor Fuel Sales.

You are prohibited from operating another business, including another royalty-based franchised business with separate point-of-sale equipment, at the Franchised Location, unless you obtain our prior written consent. Our consent may be conditioned on your agreement that sales from any such other business will be included in Gross Sales for the purposes of calculating your Royalty and Promotional Fee payments under your Franchise Agreement. Operation of any such other business at the Franchised Location without our prior written consent will be a material breach of your Franchise Agreement.

[2]If your Circle K Business is located in an area that legally prohibits the collection of royalties on the sale of alcoholic beverages, so long as such legal restriction is in effect, your Royalty Fee rate applicable to Gross Sales will be increased by 0.5% and the definition of Gross Sales will be deemed amended to exclude any income from the sale of alcoholic beverages. In addition, the Royalty Fee rate applicable to Gross Sales will be increased by up to 1% if we allow you to install gaming machines at the Circle K Business. Finally, the Royalty Fee rate applicable to Gross Sales may be increased by up to 1% if you keep your Circle K Business open less than 24 hours per day (and 24-7 operation is <u>not</u> prohibited by the law), or you utilize a pass-through window or bullet-resistant glass surrounding the sales counter for any time period.

[3]You must obtain our written approval prior to operating any other business from your Franchised Location. If we approve a separate food service business to be operated from your Franchised Location (such separate business, an "Additional Business"), you will be required to pay us a separate Co-Branded Royalty Fee as a percentage of the Additional Business's Gross Sales. This fee is due at the same time and under the same conditions as your Royalty Fee. TMC may, in its sole determination, approve an unaffiliated third-party operator of the Additional Business within the Franchised Location, subject to such terms and conditions

as TMC may from time to time establish. You must provide a copy of your lease with the third-party Additional Business operator, and the third-party operator must provide its executed franchise agreement with the Additional Business franchisor to TMC prior to occupying any portion of the convenience store building at the Franchised Location and/or must enter into an agreement with TMC in a form provided by TMC. Currently, we charge a Co-Branded Royalty Fee of 1% of an Additional Business's Gross Sale for an Additional Business that is a coffee/pastry offering. If you meet certain criteria established by us (as amended from time to time) and you are approved by us, we may charge you a flat fee per Accounting Period (currently $500 per Accounting Period) in lieu of the 1.0% Co-Branded Royalty Fee on the sales generated by the Additional Business that is a coffee/pastry offering. We reserve the right to approve other Additional Businesses and charge a higher Co-Branded Royalty Fee and impose such other conditions and requirements (including insurance and indemnification requirements as well as inspection and audit rights for the benefit of TMC and its affiliates) as we elect in our sole discretion, with respect to such other approved Additional Business.

[4]You may, but are not required to, participate in other programs we negotiate (each, an "Optional Program"). As of the date of this Disclosure Document, we offer the following Optional Programs: Glacier Water Program, Air/Water and the Lux Bitcoin Program. In connection with participating in an Optional Program, you will share a portion of the Optional Program revenue with us and may be required to enter into a program agreement with us and/or a third-party vendor approved by us.

[5]You will not be required to pay Promotional Fees on Gross Sales over $125,000 per Accounting Period. The Promotional Fees are paid to us in the same manner as the Royalty Fees. Our custody or possession of any such Promotional Fees shall not be construed as making TMC your fiduciary with respect to such fees.

[6]The price per gallon will be our price in effect at the time loading commences. The price per gallon is based upon the delivery of a full transport truckload of product. We reserve the right to charge you more than our cost for the motor fuel you are required to purchase from us.

On occasion, we may consider, with respect to you or other franchisees, reducing the price per gallon to fit a particular concern, taking into account a variety of factors, including, but not limited to, where a franchisee agrees to develop a significant number of Circle K Businesses, a franchisee agrees to significantly accelerate its historical development patterns, a franchisee agrees to develop Circle K Businesses in a new territory, a franchisee proposes to develop unique sites or a franchisee desires to rebuild its franchised Circle K Business at the current site.

[7]If a quantity of motor fuel less than a full truckload is delivered, we may require you to pay us a Motor Fuel Pass-Through Fee, currently $35 per load. Additionally, if you request a delivery of motor fuel at a time earlier than the established delivery schedule, we may charge you an Early Delivery Fee, currently $50 per load.

[8]If you fail to pay any amounts due to us under the Franchise Agreement by the due date, the payment will be considered late and we will charge you interest on the amount past due at the lesser of 1½ % per Accounting Period or the maximum legal rate allowed under applicable law. Interest on late payments is non-refundable. A payment will be considered late if: (i) you fail to pay us the amount owed or (ii) insufficient funds are available in your account to fully pay the amount owed.

If insufficient funds are available in your account at the time payment is due we may charge you our then-current insufficient funds fee, currently $50 or the maximum legal rate allowed by law, for each insufficient funds payment.

[9]If an audit reveals that you have underpaid us for amounts owing under your Franchise Agreement, and the underpayment is willful or exceeds two percent (2%) of your actual Gross Sales, in addition to paying the full amount owing, with interest, you must reimburse us for the cost of the audit, including travel, lodging, meals, reasonable professional fees, salaries, and other expenses of the persons conducting the audit. Furthermore, in addition to TMC's right to directly inspect your business, TMC also has the right to hire an outside agency to inspect your business, in which case you may be required to pay the costs of these inspections.

[10]The Software License Fee is for the right to utilize the TMC Software, as defined in the Electronic Point of Sale and Software Agreement (the "Software Agreement") (a copy of which is attached to the Franchise Agreement as Exhibit 2), required for your Circle K Business and includes all upgrades as they become available. The Software License Fee is paid to us in the same manner as the Royalty Fee. Currently, we are not charging a Software License Fee, but have the right to do so upon sixty (60) days' written notice.

[11]You must obtain our consent to any transfer or assignment of your interest in the Franchise Agreement, and you or the proposed transferee must pay us the transfer fee (calculated as noted in the table above) prior to the proposed transferee attending training. For example, as of the date of this Disclosure Document, the transfer fee would be $25,000. If no current franchise disclosure document exists at the time of the transfer, then the transfer fee will be equal to the Initial Franchise Fee of the most recent franchise disclosure document in effect prior to the transfer. A reduced transfer fee of $1,000 may apply in the following circumstances: (1) the transfer is to your spouse or adult child, if you are an individual, or, if Franchisee is a corporate entity or partnership and the Transfer is to the adult spouse or child of the majority owner; (2) the transfer is to a corporation in which you are the principal shareholder retaining a majority ownership interest and you remain the officer responsible for the full-time personal operation and supervision of the Circle K Business; (3) the transfer is the transfer of any interest of any partner or shareholder to another existing or new partner or shareholder, provided your majority partner or shareholder remains the same; or (4) only your name is changed (if you are a corporation or other entity).

[12]If the balance of the 10-year term of your Franchise Agreement is less than 52 Accounting Periods, then the calculation of liquidated damages will be based on the remainder of the Accounting Periods in the term. If the Circle K Business has never been opened and therefore has no history of royalty payments, liquidated damages will be calculated based on the average Accounting Period Gross Sales submitted by all Circle K franchisees located in your state for the 13 Accounting Periods immediately preceding the termination. If there are no Circle K franchisees located in your state, the calculation will be based on the average Accounting Period Gross Sales submitted by all Circle K franchisees located in the United States. In any and all cases, the average Accounting Period Royalty Fee payment amount of the liquidated damages calculation shall be no less than $1,500 since that is the minimum required Royalty Fee per Accounting Period.

[13] You will be required to sign the Credit Network Agreement (attached as Exhibit 7 to the Franchise Agreement) (the "Credit Network Agreement"), pursuant to which we will provide you with a debit/credit network ("TMC Network") that you will be required to use to process debit and credit card transactions. You will be required to pay any debit/credit card (processing) fees and/or service (transaction) fees that

we may charge. We currently charge the fees stated in the above table in connection with all credit/debit card transactions, and such fees are subject to change upon 30 days' prior notice to you, up to an increase of ten percent (10%) in any twelve-month period. We reserve the right to replace the TMC Network with a substitute network and charge fees for your access to and use of such substitute network.

[14]If you fail to debrand your site to our satisfaction upon the termination or expiration of your Franchise Agreement, we may hire a third party to complete the work. You will be charged for all costs associated with debranding your site.

[15]As of the date of this Disclosure Document, the Renewal Fee is $0 for individual Franchise Agreements. We reserve the right to increase the Renewal Fee in the future and/or to charge an initial franchise fee for renewals in the future.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

(for new or rebuilt Circle K Business locations)

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee (Note 1)	$25,000	Lump Sum	Upon signing Agreement	TMC
Regional In-Store Training Fee	$1,000 ($500 per attendee)	Lump Sum	Upon signing agreement	TMC
Travel and Living Expenses While Training (Note 2)	$3,500-$15,500	As Incurred	As Incurred	Airlines, Hotels, Restaurants, Rental Cars or TMC
Real Estate (Note 3)	(Note 3)	(Note 3)	(Note 3)	(Note 3)
Construction, Remodeling, and Leasehold Improvements (Note 4)	$850,000-$1,600,000	As Billed	As Incurred	Contractors, Suppliers or Other Third Parties
Other Site Development Costs (Note 4)	$135,000-$250,000	As Incurred	As Incurred	Architects, Engineers and Other Third Parties
Furniture, Fixtures & Equipment (Note 5)	$500,000-$1,200,000	As Billed	As Incurred	Suppliers
Car wash (building), if included	$400,000 - $800,000	As Incurred	As Incurred	Suppliers
Car wash (equipment), if included	$215,000 - $450,000	As Incurred	As Incurred	Suppliers
EPOS and Computer Systems	$51,000 - $60,000	As Incurred	As Incurred	Suppliers
Signs (Note 6)	$50,000-$120,000	As Billed	As Incurred	Suppliers
Security Deposits and Licenses and Permits (Note 7)	$5,000-$15,000	As Incurred	Prior to Opening	Lessor or Governmental Agencies

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Utility Deposits (Note 8)	$1,500-$5,000	Lump Sum	Prior to Opening	Utility Companies and Other Service Providers
Vendor Deposits	$0-$16,000	Lump Sum	As required by Vendors	Vendors
Inventory (merchandise and fuel) (Note 9)	$100,000-$220,000	As Billed	As Incurred	TMC (fuel) and Third-Party Vendors (merchandise)
Professional Fees (Note 10)	$1,000-$5,000	As Incurred	As Incurred	Attorneys, Accountants, and Other Professionals
Insurance (Note 11)	$7,500-$24,000	As Billed	As Incurred	Insurance Carriers
Grand Opening Costs (Note 12)	$5,000-$10,000	As Billed	As Incurred	Suppliers and Vendors
Fuel Security Deposit (Note 13)	$20,000 - $50,000	Lump Sum	Upon signing of Motor Fuel Agreement	TMC
Additional Funds (3 months) (Note 14)	$10,000-$20,000	As Billed	As Incurred	Employees, Suppliers, and Vendors
TOTAL (Note 16)	$2,380,500 - $4,836,500			

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

(for Circle K Business conversions)

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee (Note 1)	$25,000	Lump Sum	Upon signing Agreement	TMC
Regional In-Store Training Fee	$1,000 ($500 per attendee)	Lump Sum	Upon signing agreement	TMC
Travel and Living Expenses While Training (Note 2)	$3,500-$15,500	As Incurred	As Incurred	Airlines, Hotels, Restaurants, Rental Cars or TMC
Real Estate (Note 3)	(Note 3)	(Note 3)	(Note 3)	(Note 3)
Construction, Remodeling, and Leasehold Improvements (Note 4)	$100,000-$650,000	As Billed	As Incurred	Contractors, Suppliers or Other Third Parties
Other Site Development Costs, including Site Development Fee (Note 4)	$20,000-$80,000	As Incurred	As Incurred	Architects, Engineers and Other Third Parties
Furniture, Fixtures & Equipment (Note 5)	$300,000-$1,100,000	As Billed	As Incurred	Suppliers

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Car wash (building), if included	$50,000 - $200,000	As Incurred	As Incurred	Suppliers
Car wash (equipment), if included	$215,000 - $450,000	As Incurred	As Incurred	Suppliers
EPOS and Computer Systems	$51,000 - $60,000	As Incurred	As Incurred	Suppliers
Signs (Note 6)	$20,000- $90,000	As Billed	As Incurred	Suppliers
Security Deposits and Licenses and Permits (Note 7)	$5,000-$10,000	As Incurred	Prior to Opening	Lessor or Government Agencies
Utility Deposits (Note 8)	$1,500-$3,000	Lump Sum	Prior to Opening	Utility Companies and Other Service Providers
Vendor Deposits	$0-$16,000	Lump Sum	As required by Vendors	Vendors
Inventory (merchandise and fuel) (Note 9)	$100,000- $220,000	As Billed	As Incurred	Third-Party Vendors
Professional Fees (Note 10)	$1,000-$5,000	As Incurred	As Incurred	Attorneys, Accountants, and Other Professionals
Insurance (Note 11)	$7,500-$24,000	As Billed	As Incurred	Insurance Carriers
Grand Opening Costs (Note 12)	$5,000-$10,000	As Billed	As Incurred	Suppliers and Vendors
Fuel Security Deposit (Note 13)	$20,000 - $50,000	Lump Sum	Upon signing Motor Fuel Agreement	TMC
Additional Funds (3 months) (Note 14)	$10,000- $20,000	As Billed	As Incurred	Employees, Suppliers, and Vendors
TOTAL (Note 15)	$932,000 - $3,029,500			

NOTES:

If you purchase an existing company-operated Circle K Business, your initial investment will consist of the purchase price that we and you negotiate, plus the cost of any upgrades and renovations we may require you to complete in order to bring the Circle K Business into compliance with our then-current Business System standards, which upgrades and renovations you will be required to complete within nine months of your taking possession and control of the Circle K Business. The Circle K Business must be furnished with sufficient inventory for you to begin operations, which you must purchase from us. The value of the merchandise inventory will be calculated using the retail inventory method used in Circle K operations and the value of the fuel inventory will be calculated using the invoiced product prices from the most recent delivery, plus taxes, fees, and costs of transportation.

See Item 10 for a description of the Funding program that may be available. We will meet with you to discuss the Circle K Business development or conversion requirements before you sign the Franchise Agreement.

All payments made to us are non-refundable unless otherwise stated. We do not finance or advance any of your costs unless stated otherwise in this Disclosure Document.

Note 1 The Initial Franchise Fee you will pay at the time of signing a Franchise Agreement is $25,000; however, if you agree to open multiple Circle K Businesses, you may qualify for a discounted Initial Franchise Fee as set forth in Item 5. See Item 5 for additional information regarding the conditions under which this fee is partially refundable. We do not finance the Initial Franchise Fee.

If you are renewing an existing Franchise Agreement, we will not charge you an Initial Franchise Fee. Instead, you will pay our then-current Renewal Fee. As of the date of this Disclosure Document our Renewal Fee is $0. We reserve the right to increase the Renewal Fee in the future. We reserve the right to charge an initial franchise fee for renewals in the future.

Note 2 You must pay the salaries, fringe benefits, travel costs, and room and board of the manager and any other employees during the time that they attend the initial training program, as well as any additional or special training that may be requested or required of you or your managers.

Note 3 If you do not already own suitable real estate, the land and building for your Circle K Business must be purchased or leased. Circle K convenience stores currently average approximately 5,200 square feet in size and the Franchised Business generally requires approximately 50,000 square feet of land to adequately accommodate the building, parking lot, the fuel stations, easements, etc. The cost of purchasing unimproved land will vary depending on location, availability of utilities, and other factors and cannot be estimated by us. See "Security Deposits" listed in the chart above for an estimate of these expenses. On occasion, TMC or one of its affiliates may own or lease the property where your Circle K Business is located. Under these circumstances, you will sign a separate lease agreement with us or our affiliates.

Note 4 Based upon our past experience, the cost estimates for constructing a Circle K convenience store and forecourt are dependent upon factors such as the general cost of building in your location, union or non-union costs, local building code and permit requirements, the size of the property, condition of the premises, the types of materials used to construct your Circle K convenience store and forecourt, the cost of construction labor, the cost of property, and other similar factors. In addition to construction costs, development costs may be incurred for engineering, architectural, design, real estate, legal, and other professional services. Construction and developmental cost estimates assume that there are no unusual site conditions and that adequate utilities are available at the building pad or adjacent to it.

We may select a project management firm to assist you with the development and construction of your Circle K Business. If selected, the third-party management firm will purchase and/or install, on your behalf, convenience store equipment, prepare plans, check lists and equipment cut sheets, obtain sales area equipment and interior signage bids, and provide other services to assist you in the development of your Circle K Business premises. You will be responsible for all costs and fees of the third-party management firm, but if you accept Funding, we will use a portion of the Funding to cover certain costs (as we determine) associated with the use of the third-party management firm. In addition, you must pay us a Site Development Fee of $750 to cover the costs associated with our development of a marketing floor plan for the Circle K Business convenience store premises; provided that if you accept Funding, we will use the Funding to pay the Site Development Fee.

We may also require you to hire a consultant to prepare an Auto CAD format plan of the Circle K Business convenience store and this cost will be paid out of the Funding, or, if you do not accept any Funding from us, you must pay all costs associated with preparing the plan.

The estimate contained in this Item 7 includes the cost for the third-party management firm as well as the Site Development Fee. The cost will vary depending on the condition of the premises. In addition, if you are converting an existing convenience store(s) and gasoline station(s), these costs may be reduced dramatically depending upon the condition of your existing business(es).

Note 5 The cost of fuel equipment will depend primarily on the type and size of the canopy, the type and number of MPDs and the existence and condition of Underground Storage Tanks.

Note 6 You will pay for the permitting and the exterior sign fixtures which include our trademark. You will pay for the installation of the sign fixtures and any maintenance associated with these signs. We will own these signs, and you will have no ownership or other possessory interest in them. You must purchase or lease all other interior and exterior sign fixtures specified by us. In addition to our trademark signs, you will be required to purchase, install and maintain price signs for your location. If you accept Funding, these costs will be paid for out of the funds. If you decline Funding, you will be solely responsible for these costs.

Note 7 You may be required to pay a security deposit under your real estate lease with us or a third party and other deposits for utilities and insurance premiums which may or may not be refundable. These amounts can vary significantly in different areas, and you should verify this estimate with local authorities. It is your responsibility to confirm that all of the specific deposits required for your Circle K Business are paid.

Note 8 Deposits for utility services are typically required at the time the service is applied for and may or may not be refundable. It is your responsibility to confirm that all of the specific deposits required for your Circle K Business are paid.

Note 9 You must purchase inventory as specified by us. If you already own a convenience store/gas station and are converting it to a Circle K Business, you may be required to purchase additional inventory so that the inventory in your Circle K Business is comparable to the inventory in other Circle K businesses. Except in the limited circumstances described above pertaining to the purchase of an existing company-operated Circle K, you will purchase your convenience store inventory from a third-party vendor. You must purchase fuel from us or our affiliate. The estimated range of the cost for the inventory for your forecourt will depend on the size of your storage tanks and the cost per gallon at the time the product is delivered.

Note 10 You may find it necessary to retain an attorney to review the Franchise Agreement and other agreements, as applicable, or to assist in forming a corporation, partnership, or limited liability company. You may also want to retain an accountant for advice in establishing and operating your business and filing the necessary tax forms and returns.

Note 11 You must obtain and maintain at your expense insurance coverage for your Circle K Business as required in the Franchise Agreement and Motor Fuel Agreement. The cost of insurance varies, depending upon the insurance company you select, the location of your Circle K Business, value of equipment and improvements, number of employees, and other factors. You must name us and our Affiliates as

"Additional Insureds" on all insurance policies except Worker's Compensation and Property Insurance, where applicable.

Note 12 You must have a grand opening celebration at your Circle K Business. The Business Systems Manuals contain a grand opening guide to assist you. We will also provide a grand opening materials package to you. If you contribute Tier II Promotional Funds, you will be reimbursed (from the Promotional Fund) for pre-approved expenditures in the amount of $0.50 for each $1.00 you spend, up to a maximum reimbursement of $4,000.

Note 13 You must pay us the Security Deposit when you sign the Franchise Agreement. The Security Deposit you will be required to pay will depend on a number of factors, including the size of the storage tanks on your premises, expected through-put and your credit score. The Security Deposit is paid to secure your payment of all sums of money due under, and performance and observance of all the terms, covenants and conditions contained in the Motor Fuel Agreement. If you fail to timely pay any amount due and owing under the Motor Fuel Agreement, we may draw upon the Security Deposit and apply the funds toward the payment of an amount due and owing to us. If we draw upon the Security Deposit, you must immediately pay us an amount sufficient to restore the Security Deposit to its prior level. Upon termination, expiration or non-renewal of the Motor Fuel Agreement, we may also draw upon the Security Deposit to satisfy on any past due amounts, loss, damage, injury or liability caused by your failure to perform any condition, covenant or term of or make any payment under the Motor Fuel Agreement. The remaining balance of the Security Deposit Account will then be refunded to you. If the Franchised Business premises are owned by us or our affiliate, we may reduce or waive the amount of the Security Deposit.

Note 14 This amount represents the range of your initial start-up expenses over the first 3 months of operation and includes payroll costs, but does not include any salary for one Business Manager, to the extent these costs are not covered by sales revenues. We estimate that the amount given will be sufficient to cover ongoing expenses for the start-up phase of the business, which we calculate to be three months. These figures are estimates only and there is no assurance or guarantee that you will not have additional expenses during this start-up phase or after. Your costs will depend upon factors such as your management skill, experience, and business acumen; local economic conditions; the demand for convenience store goods and services and fuel in your area; the prevailing wage rate; competition; and the sales level reached during the initial period.

Note 15 The estimates provided in the charts above are based upon a freestanding, full-service new Circle K Business. We relied upon our collective experience in opening Circle K Businesses during the past twenty years when preparing these figures. Please note that the total amount of your initial investment does not include the cost of acquiring real estate.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must comply with our quality standards and specifications described in the Business Systems Manuals for furnishings, fixtures, equipment (including computer hardware and software), operating supplies, food and beverages, signs, marketing and promotional materials, and other products and services offered at your Circle K Business, and for the construction, renovation, maintenance, and repair of your Circle K Business premises. We will provide you with a list of approved sources of merchandise, supplies, fixtures, equipment, signs, and uniforms necessary for the construction and operation of your Circle K

Business. The cost of required furnishings, fixtures, signs, equipment and other items purchased according to our specifications could reasonably represent more than 75% of your total purchases and leases in connection with establishment of your Circle K Business and more than 75% of your purchases and leases in operating the Circle K Business.

You must purchase approved products and services that meet our current standards and specifications as established in the Business Systems Manuals or otherwise in writing – including all Circle K proprietary products. Carrying these proprietary products ensures a consistent brand presence and meets our consumers' expectations of the brand. TMC reserves the right to periodically update and alter these specifications and standards and to add to, or delete from, the list of products and services approved for sale or use in Circle K Businesses. As further described below, you may be required to purchase many products from a primary source of supply as we designate under our negotiated arrangements with suppliers and service-providers. Depending on where your Circle K Business is located, we or our affiliates may be a required supplier of certain products and/or services for purchase by you for use in operation of your Circle K Business. In addition, you must purchase all trademarked items and signage from one of our approved sources. We will provide you with a list of approved sources of trademarked items and signage.

We or our affiliates are currently the only approved supplier of motor fuel. We reserve the right to require you to purchase additional products or services from us or our affiliates in the future. You must purchase the quantities of motor fuel from us or our affiliate as outlined in the Commodity Schedule attached to your Motor Fuel Agreement. The Commodity Schedule will identify both the quantity of motor fuel you are required to purchase and the pricing terms. You will purchase all products and services from us at our then-current fee. We reserve the right to charge you more than our cost for these products and services in selling or supplying these products and services to you. If you purchase less than a full truckload of motor fuel when delivered, we may require you to pay us a Motor Fuel Pass-Through Fee (See item 6).

You will be required to utilize the TMC Network, our electronic point of sale network, and, in connection therewith, purchase designated back-office system, license designated software and firmware and purchase other related computer equipment that we designate. In connection therewith, you must sign the Credit Network Agreement which sets forth the terms and conditions under which you will utilize the TMC Network. You will be required to use the TMC Network to process debit and credit card transactions and you will be required to pay debit/credit card (processing) fees and/or service (transaction) fees that we may charge. We currently charge the fees set forth in Item 6 in connection with all credit/debit card transactions, and such fees are subject to change upon 30 days' prior notice to you. We reserve the right to replace the TMC Network with a substitute network and charge you fees for access to and use of such substitute network.

You will be required to utilize the services of TMC, its affiliate, or TMC-designated third-party management firm, as we determine, to develop a marketing floor plan that will show key equipment, gondolas, backbars, and cabinetry. You will also be required to work with TMC or its designee to develop an Auto CAD format plan of the Circle K Business convenience store, which will include the interior walls, structural layout and utilities. You must pay for all costs associated with the marketing floor plan and the Auto CAD format plan, unless you accept Funding, in which case the cost of the Auto CAD format plan and certain of the costs (as determined by us) of the marketing floor plan will be paid for by the Funding.

Otherwise, you may purchase approved products or services from sources who demonstrate to our continuing reasonable satisfaction the ability to meet our standards and specifications, who possess

adequate quality controls, and the capacity to meet your needs promptly and reliably, and who have been approved by us in advance in writing. If you wish to have a supplier or service provider designated as an "approved" supplier, you may submit information about the supplier and its relevant products or services to us for review. We must be permitted to inspect the supplier's facilities and will require samples to be tested and evaluated either by an independent testing facility or other facility designated by us. Our review typically will be completed within 60 days. Suppliers approved in this manner will not be required to make payments to us in order to deal with any of our franchisees.

Because we supply motor fuel to our franchisees, our officers own an interest in a company that supplies products or services to franchisees – TMC Franchise Corporation. As of the date of this Disclosure Document, some TMC Franchise Corporation officers own an interest, including stock ownership, in the following companies that supply products or services to Circle K franchisees: ConocoPhillips, Phillips 66, Coca-Cola and Philip Morris. Other than the companies just identified, no officers own an interest in our suppliers.

Periodically, we may negotiate purchase arrangements with certain suppliers and service providers for our benefit and/or the benefit of franchisees. However, access to such suppliers and service providers is not guaranteed, and it is possible that such suppliers and service providers will be unable or unwilling to deliver products to your Franchised Business. Periodically, we may also receive consideration in the form of discounts, rebates, or marketing allowances on purchases that you make from these suppliers and service providers for services rendered, products purchased or rights licensed. We may keep such consideration we receive from these suppliers or service providers, or we may fund costs associated with advertising and promotions, or we may distribute such allowances to you in such amounts and allocation methods as we deem appropriate. We may designate a primary source or sources of supply for merchandise, goods, and services, and depending on geography that may be us or our affiliate. As of the date of this Disclosure Document, the primary suppliers have agreed to make the merchandise and products they carry, and the services they provide to Circle K Businesses, available to TMC's franchisees. Our approved primary suppliers typically deliver approximately 50% of the merchandise recommended for sale at Circle K Businesses, and you must purchase this merchandise from the primary supplier that serves the region in which your Circle K Business is located. The merchandise purchased from the primary suppliers includes grocery, candy, cigarettes, tobacco, proprietary items, food service items and supplies. The balance of the merchandise such as beverages, periodicals, baked goods, snack items and dairy products is received by direct delivery from the product manufacturer or distributor. Use of our designated primary source and other recommended vendors may facilitate the payment of advertising and promotional allowances. From time to time, we have one or more preferred vendors for fountain drinks and your participation will be required in order for you to receive rebates and fountain equipment reimbursements available from fountain vendors and to provide for consistent product availability at all Circle K Businesses.

When you purchase your merchandise and goods or receive services from our approved primary supplier, you will contract directly with our approved primary supplier and will be solely responsible for payment to our approved primary supplier for your purchases. Unless TMC or its affiliate is a signatory party to any written agreement between you and our approved primary supplier, TMC will not guarantee any payments to our approved primary supplier on your behalf. You will pay the then-current price in effect for all purchases you make from us, our affiliate or any third-party vendor we designate.

We may also periodically negotiate special promotional arrangements with suppliers for the benefit of the system, and you may be required to participate in the promotions designated by us. We may receive

certain items or amounts of money from vendors as consideration for participating in national promotions based upon their terms. We may distribute any monies or items received from participating in national promotions on the suppliers' terms to participating franchisees in accordance with national marketing programs that you may enroll in from time to time. We may also use national promotions to create and develop national advertising strategies designed to promote the Circle K brand. Monies to be received by us or suppliers from national promotions will be negotiated and will vary depending upon the type of promotion and supplier involved. Not all promotions that may be available to company-operated Circle K Businesses will be available to franchised Circle K Businesses.

We and you receive preferred pricing from certain designated suppliers based on the volume of purchases made by both company-operated and franchised Circle K Businesses. This benefit comes in the form of off-invoice discounts as well as other rebates based on the level of purchases or sales of certain products and/or compliance with the requirements of vendor programs. For example, certain vendor programs may require compliance with prescribed store schematics or product display specifications. We process rebates for certain designated and approved suppliers. The time between the date of purchase and the date you receive the rebate can vary from 4 to 12 months or longer, depending on the supplier. Because of the time involved in the rebate process and reliance on vendors to process payments, you may not receive any rebates after you open your Circle K Business for the first 4 months and may not receive full rebates for up to 9 months following the opening of your Circle K Business. Per our current policy, which we may change from time to time, at the time the Franchise Agreement reaches the end of its term, we collect and credit you for all rebates paid to TMC by vendors on your behalf for a period of 6 months. If you elect to transfer the Franchise Agreement or your rights thereunder (with our approval and consent), you and the person/entity to whom you transfer the Franchise Agreement or your rights must make arrangements with respect to rebates earned and paid. Our current policy is to continue to credit rebates we receive through the end of the Accounting Period in which the transfer is completed (and such amounts are normally paid on the 15th of the following Accounting Period), minus any amounts you owe to us, to your account, irrespective of which party operated the Circle K Business when the rebate was earned. Starting on the first day of the Accounting Period subsequent to the transfer, all rebates we receive will begin to be credited to the new franchisee-transferee. If your Franchise Agreement is terminated for any reason prior to the end of term (10 years from the date the Franchised Business opens as a Circle K under the agreement), TMC will pay to you only those rebates that have been paid to TMC by the vendor prior to such termination.

In addition to those off-invoice discounts described above, company-operated Circle K Businesses received rebates that averaged approximately 7.9% (which includes cigarette rebates) of merchandise sales of products supplied by participating vendors during the year ended April 24, 2022. Cigarette rebates are received by franchisees directly from the tobacco companies and are not processed by TMC. Excluding cigarette rebates, company-operated Circle K Businesses received rebates that averaged approximately 4.0% of merchandise sales of products supplied by participating vendors during the year ended April 24, 2022. The particular benefit you may receive from these rebate programs will depend entirely on your compliance with vendor program requirements and/or the level of purchases from vendors offering rebates or the level of your sales of their products at your Circle K Business. These discounts will vary from year to year. You should understand that, from time to time, suppliers may reduce the cost of the product at the time of purchase rather than providing rebates at a later date. This may reduce the overall total of rebates you receive because the cost of the product at the time of purchase is reduced. You should also understand that you may not be eligible to receive all discounts and rebates that company-operated Circle K businesses receive.

During the year ended April 24, 2022, we derived revenue of $2,740,098 (4.3%) (included in interest and other income on our consolidated financial statements) of our total revenue of $64,302,276 from required purchases or leases by convenience store franchisees (i.e., Circle K franchisees as well as franchisees operating under the other brands TMC franchises as disclosed in Item 1).

There currently are no purchasing or distribution cooperatives. We may negotiate purchase arrangements with suppliers (including price terms), for the benefit of the Business System. We do not provide material benefits to you (for example, renewal or granting additional franchises) based on your purchase of particular products or services or use of particular suppliers.

If you will occupy your Franchised Location under a lease negotiated by you with a third party, you must submit the lease to us for prior written approval. Our approval may be conditioned on the following terms and conditions appearing in the lease:

(1) The initial term, or initial term with renewal terms, must be for at least 10 years, or the term of the Franchise Agreement, whichever is longer.

(2) The Lessor consents to your use of the Marks and signs as required for a Circle K franchise, and to your operation of a convenience store and gas station on the premises.

(3) You are prohibited from subleasing or assigning all or part of the occupancy rights or extending or renewing the lease without our prior written consent.

(4) The Lessor must agree to provide to us copies of notices of default and any material breaches given to you under the lease.

(5) We have the right to enter the premises to make necessary modifications to protect the Marks or the Business System or to cure any default under the Franchise Agreement or the lease.

(6) We (or someone we designate) have the option, upon default, expiration or termination of the Franchise Agreement, and upon notice to the lessor, to assume your rights under the lease, including the right to assign or sublease. You must furnish us with a copy of any signed lease within 10 days after it is signed.

(7) If you lose your lease for any reason, including your decision not to enter into a new term, before the end of the 10-year term of your Franchise Agreement, you will be responsible for the payment to TMC of all liquidated damages due under your Franchise Agreement, and the repayment of any unamortized Funding, if provided to you by TMC.

You must obtain our consent to all plans and specifications before beginning construction or renovation of your Circle K Business. Our consent will be based on the criteria described in the Business Systems Manuals and/or other criteria we deem relevant. Any consent given by us to any plans and specifications for your Circle K Business shall not be construed as a recommendation, guarantee, endorsement, an assurance or warranty that: (a) the site will be a success, or (b) the plans or specifications will make the Circle K Business compliant with governmental regulations, including without limitation the Americans With Disabilities Act.

In connection with operating your Circle K Business, you must enter into the Software Agreement with us, an affiliate of ours or a third party we designate, which will cover the electronic point of sale equipment, back-office system, and any other computer system(s) we deem appropriate, to be used at your Circle K Business. (A copy of the Software Agreement is attached as Exhibit 2 to the Franchise Agreement.) Under the Software Agreement, you must maintain and service the equipment in accordance with our specifications and in accordance with any manuals relating to the equipment. You may be required to enter into a separate agreement with a third party we designate covering the use and maintenance of the systems required for your Circle K Business, including the electronic point of sale system, back office system, and/or any other computer system or communication software we deem necessary to run a Circle K Business, or to collect data from your Circle K Business. Currently, you are required to purchase (and use in the operation of your Circle K Business) a point of sale system from NCR/Radiant Systems, Inc. and a back-office system from PDI.

The Franchise Agreement requires you to maintain certain types and minimum amounts of insurance coverage for your Franchised Business. You must maintain (i) Comprehensive Commercial General Liability Coverage covering the premises, all operations at the premises, products completed operations liability, products liability, contractual liability, fire, explosion and collapse liability, as well as coverage on all contractor's equipment (other than motor vehicles licensed for highway use) owned, hired, or used in connection with the Franchised Business, bodily injury, and property damage, with minimum limits of at least $1,000,000 per occurrence, and an aggregate coverage of no less than $2,000,000; (ii) Liquor Liability with minimum limits of $1,000,000 per occurrence and $2,000,000 aggregate limit; (iii) if you operate, or permit the operation of, a service bay and/or car wash on the premises, Legal Liability Insurance covering fire, theft or collision, with a minimum limit of $500,000 per occurrence and coverage in the general aggregate amount of no less than $1,000,000; (iv) Automobile Liability Coverage covering all owned, hired or otherwise operated non owned automobiles, for death of or injury to any one person and liabilities for loss of or damage to property resulting from any one accident with a combined single limit of not less than $1,000,000 per occurrence, including MCS 90 endorsement or other acceptable evidence of financial responsibility as required by the Motor Carrier Act of 1980 and the Pollution Liability Broadened Coverage endorsement; (v) Commercial Property Insurance (an all risk full replacement policy); (vi) Worker's Compensation Insurance with statutory limits; (vii) Employers Liability with a minimum of $500,000 per occurrence; (viii) Umbrella or Excess Insurance with a minimum of $1,000,000 per occurrence; (ix) environmental pollution/impairment insurance coverage in an amount of at least $1,000,000 on a continuous and uninterrupted basis insuring you for all environmental liabilities arising out of, but not limited to, the storage, handling, dispensing, and/or sale of motor fuel products and lubricants at the premises, and/or the ownership and operation of your business at the premises, which coverage shall extend at least two years beyond the expiration, nonrenewal or termination of the Motor Fuel Agreement, and (x) any other insurance required by law. You must comply with all Federal, State and local laws applicable to the ownership and operation of commercial underground storage tanks ("USTs"), including but not limited to requirements to maintain financial assurance for the USTs. The financial assurance obligation may be satisfied through participation in state administered UST funds, or where no such UST funds are applicable or available, then commercial UST insurance shall be maintained in accordance with applicable financial assurance requirements. If you elect to maintain financial assurance through another means (e.g., self-insurance or standby trust), you must provide evidence of same to us. You will also be required to waive rights of subrogation for Worker's Compensation and Employers Liability. We do not represent that the prescribed levels of coverage will sufficiently insure you against all risks associated with the operation of the Franchised Business. The insurers must be rated A- VIII or better in A.M. Best's Insurance Guide, and the policy must name us, our parent and affiliated companies as additional insureds

and provide that the same advance notice of cancellation or adverse modifications be given to us as is given to you.

You must participate in any loyalty programs and other marketing and promotional initiatives that we may from time to time establish. We may designate a single supplier for any of these programs or initiatives. You may be required to purchase equipment, supplies and/or other materials to participate in the programs. You must be in compliance with any rules and participation criteria applicable to these programs. We have the right to modify the participation criteria or discontinue these initiates at any time upon written notice to you. See also Item 11.

Any required standards exist to protect our interests in the Business System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to you. The required standards generally will be set forth in the Business Systems Manuals or other written materials and communications. The Business Systems Manuals also will include guidelines or recommendations in addition to required standards. In some instances, the required standards will include recommendations or guidelines to meet the required standards. You may follow the recommendations or guidelines or some other suitable alternative; provided you meet and comply with the required standards. In other instances, no suitable alternative may exist. In order to protect our interests in the Business System and the Marks, we reserve the right to determine if you are meeting a required standard and whether an alternative is suitable to any recommendations or guidelines.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Article 7 of Franchise Agreement	Items 5, 8 & 11
b. Pre-Opening purchases/leases	Sections 7.1, 7.5, 7.7, 8.1 & 8.3 of Franchise Agreement Sections 1 & 2 of Software Agreement Sections 2, 3 & 4 of Motor Fuel Agreement Section 4 of Credit Network Agreement	Items 5, 6, 7 & 8
c. Site development and other pre-opening requirements	Sections 6.2, 7.1, 7.5 & 7.7 of Franchise Agreement Section 20 of Motor Fuel Agreement	Items 7, 8 & 11
d. Initial and ongoing training	Sections 8.14, 8.15, 8.16, 8.17, 8.18, 8.19 & 8.20 of Franchise Agreement Sections 2.4.2 & 2.4.3 of Software Agreement	Items 7 & 11
e. Opening	Sections 2.1 & 6.2 of Franchise Agreement	Items 7 & 11
f. Fees	Article 5 & Section 6.1 of Franchise Agreement Section 2.1 of Software Agreement Sections 4, 9 & 18 of Motor Fuel Agreement	Items 5, 6 & 7
g. Compliance with standards and policies/Operating Manual	Sections 2.3, 7.1, 7.2, 7.3, 7.4, 8.2, 8.3, 8.4, 8.8 & 9.1 of Franchise Agreement Section 2.3 of Software Agreement Sections 13 & 17 of Motor Fuel Agreement	Items 8, 11 & 14

Obligation	Section in Agreement	Disclosure Document Item
h. Trademarks and proprietary information	Articles 4 & 9 of Franchise Agreement Section 2.3 of Software Agreement Section 27 of Motor Fuel Agreement	Items 13 & 14
i. Restrictions on products/services offered	Sections 8.1, 8.2 & 8.5 of Franchise Agreement Section 2.6.1.1 of Software Agreement Section 2, 13 &14 of Motor Fuel Agreement	Items 8 & 16
j. Warranty and customer service requirements	None Sections 2.5 & 2.6 of Software Agreement	Items 11 & 16
k. Territorial development and sales quotas	Section 3 of Motor Fuel Agreement	Item 12
l. Ongoing product/service purchases	Articles 8.1, 8.2 & 8.5 of Franchise Agreement Section 2.1 of Software Agreement Sections 2 & 3 of Motor Fuel Agreement	Items 8 & 16
m. Maintenance, appearance and remodeling requirements	Articles 7.1, 7.2, 7.3, 7.4 & 7.5 of Franchise Agreement Section 1.2 of Software Agreement Section 13 of Motor Fuel Agreement	Items 7 & 8
n. Insurance	Article 13 of Franchise Agreement	Items 7 & 8
o. Advertising	Article 6 of Franchise Agreement	Items 6 & 11
p. Indemnification	Article 17 of Franchise Agreement Section 2.6 of Software Agreement Section 4(b), 6 & 17(h) of Motor Fuel Agreement	None
q. Owner's participation/ management/staffing	Sections 8.4, 8.6, 8.7, 8.12, 8.13 & 8.14 of Franchise Agreement	Item 15
r. Records and reports	Sections 11.1, 11.3, 11.5. 11.6 & 11.7 of Franchise Agreement	Items 6 & 17
s. Inspections and audits	Sections 9.4 & 11.4 of Franchise Agreement Section 13 & 17(e) of Motor Fuel Agreement	Items 6 & 11
t. Transfer	Articles 15 & 16 of Franchise Agreement Sections 2.3.5 and 3.14 of Software Agreement Section 15 of Motor Fuel Agreement	Items 6 & 17
u. Renewal	Sections 3.2, 3.3 & 3.4 of Franchise Agreement Section 3.1 of Software Agreement Section 1 of Motor Fuel Agreement	Item 17
v. Post-termination obligations	Section 14.7 of Franchise Agreement Sections 1.4, 2.3.6 and 3.3 of Software Agreement Sections 21(c) of Motor Fuel Agreement	Item 17
w. Non-competition covenants	Article 10 of Franchise Agreement	Item 17
x. Dispute resolution	Article 18 of Franchise Agreement Section 33, 34, 35 & 36 of Motor Fuel Agreement	Item 17
y. Other: Confidentiality	Section 9.3 of Franchise Agreement Section 3.15 of Software Agreement	Items 14 & 15

ITEM 10
FINANCING

SUMMARY OF FINANCING OFFERED

We offer to qualified franchisees a funding program described in this Item 10 (the "Funding"). You will be required to execute a Funding Agreement in the form attached as Exhibit 4 to the Franchise Agreement.

Item Financed	Source of Financing	Amount Financed	Term (Years)	Annual Interest Rate	Monthly/ Quarterly Payment	Pre-Payment Penalty	Security Required	Liability Upon Default	Loss of Legal Right on Default
Business Improve-ments /Construction /Equipment/C onversion Costs	Us or our affiliate	Varies See Note (1)	Varies See Note (2)	Variable rate up to the maximum amount allowed under applicable law.	See Note (3)	None.	Yes. See Note (4).	Yes. See Note (5).	No. See Note (6).

Notes:

(1) The amount of the Funding offered will be determined by us, will be between $100,000 and $1,000,000, and will depend on the condition of the premises, including the necessary improvements and branding requirements as well as the fuel pricing structure for the Circle K Business.

(2) The term of the loan will coincide with the term of the Franchise Agreement.

(3) So long as you are operating the Circle K Business in full compliance with the terms of the Franchise Agreement and the Motor Fuel Agreement and no default has occurred permitting us to terminate the Franchise Agreement or the Motor Fuel Agreement, you will not be required to make any payments to us or our affiliate under the terms of the Funding Agreement, but on the 3-year anniversary date of the opening of your Circle K Business, the Funding amount will be deemed automatically reduced by 30%, and on the last day of each month thereafter (until the Funding amount has been reduced to $0), by an amount equal to $1/120^{th}$ of the Funding amount.

(4) In connection with obtaining the Funding, you must execute a Funding Agreement (in the form attached as Exhibit 4 to the Franchise Agreement) which grants us a security interest in your assets, including in all accounts, inventory, equipment, furniture, fixtures, tangible property, general intangibles, chattel paper and other instruments. Upon expiration of both the Franchise Agreement and Motor Fuel Agreement, we will release our security interest. In addition, all of your owners must sign a personal guaranty (in the form attached as Exhibit I to this Franchise Disclosure Document).

(5) If the Franchise Agreement or Motor Fuel Agreement is terminated before the expiration of their term, you must pay to us the unamortized portion of the Funding you received. Upon such payment, we will release our security interest. If you fail to make such payment, we will have all other rights under the Funding Agreement, the Personal Guaranty, and applicable law, including the right to (i) collect all amounts owing from you or any guarantor of the Franchise Agreement or Motor Fuel Agreement, (ii) file suit and obtain judgment, (iii) take possession of any Collateral, or (iv) sell, lease or otherwise dispose of any Collateral at public or private sale, with or without advertisement.

(6) A default under the terms of the Funding Agreement will constitute a default of your obligations under your Franchise Agreement and Motor Fuel Agreement.

You, at your own cost and expense, shall (a) maintain the Collateral in good repair and operating condition, (b) replace any Collateral that is stolen, lost, destroyed or damaged beyond repair, which replacement Collateral shall become our property, (c) replace any parts of the Collateral which become worn out, lost, destroyed or damaged, which replacement parts shall become our property, (d) not sell or otherwise dispose of any Collateral or any interest therein without the prior written consent of TMC, except that, until the revocation by TMC of your right to do so (which notice may be given at any time in our discretion), you may sell any inventory constituting Collateral to buyers in the ordinary course of business, (e) file the necessary tax returns and pay any property taxes associated with the Collateral, and (f) obtain insurance coverage for the Collateral as required by the terms of the Franchise Agreement.

Funding offered for the renewal of an existing franchise agreement will be determined by us based on our then-existing funding program, if any.

Tax issues may arise with respect to receipt of funding from us. TMC does not make any representation as to the proper tax treatment of the funding and you should consult your own tax advisor. We reserve the right to earn revenue and/or receive rebates from the equipment, products and/or services that are purchased with the Funding, if any. We may retain all revenue and/or rebates we receive for our own account. We may offer other financing as we deem appropriate.

The United States Small Business Administration (the "SBA") currently offers a Franchise Registry Program to allow for the expedited processing of SBA loans for franchisees of approved franchisors. TMC has complied with the eligibility requirements of the SBA's Franchise Registry Program and has been approved for participation. Accordingly, Circle K franchisees who apply for SBA loans will receive the benefit of a streamlined loan process. For more information regarding the SBA's Franchise Registry Program, contact their website at www.franchiseregistry.com. You should not, however, construe the presence of the Circle K franchise program on the SBA's Franchise Registry as an endorsement by the SBA, a guarantee you will be approved for a loan, or an indication of the success or profitability of a Circle K franchise.

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

Except as listed below, TMC is not required to provide you with any assistance.

Pre-Opening Obligations (Single Circle K Business Development)

Before you open your business, we will:

1) Review your site and consult with you regarding site selection, but you are ultimately responsible for locating and obtaining an acceptable site (Franchise Agreement, Section 2.1). In evaluating a proposed site, we consider such factors as competition, trade area analysis, proximity to institutions and other potential sources of customers, building suitability, traffic and transportation, the nature and extent of adjacent businesses, the comparative advantages of a particular market, and other factors. We will generally respond within 30 days of your request for approval of your proposed site. If we do not approve the site you propose, we will permit you to examine alternative search areas for your site. If your Circle K Business is not fully constructed within (i) one year if the Circle K Business is a conversion of an existing convenience store/motor fuel business, including but not limited to the conversion of an existing company-

operated Circle K business; or (ii) two years if the Circle K Business is a newly constructed business, your Franchise Agreement may be terminated in accordance with the provisions of the Agreement.

2) Approve your property or building lease relating to your Circle K Business (Franchise Agreement, Section 7.7).

3) Provide you with site development standards, construction standards, and specifications, based on the as-built plans you provide to TMC of your existing convenience store in a CAD format. Once the plan has been approved, TMC will provide you with a complete floor plan, work scope, interior sign and paint plan, and exterior sign and image plan for the project. The CAD is due to TMC within 2 weeks of the execution of the Franchise Agreement by TMC. All construction plans, material specifications, and floor designs must be approved by us before you begin construction (Franchise Agreement, Sections 7.1, 7.2, and 7.6).

4) Consult with you regarding the design and layout of your Circle K Business (Franchise Agreement, Section 7.1). We will also provide you with merchandise planograms and recommended retail prices.

5) Make periodic site inspections and conduct a final inspection, at our option, of your completed Circle K Business to determine whether you have complied with the plans and specifications previously approved by us (Franchise Agreement, Sections 7.2 and 12.1(B); Motor Fuel Agreement Section 15(e)).

6) Provide you with a list of approved suppliers for your equipment, fixtures, signs, and inventory (which will include written specifications for certain items of equipment, signs, fixtures, opening inventory and supplies in some instances and approved suppliers in other instances). We do not deliver or install any items (Franchise Agreement, Section 12.1(A); Motor Fuel Agreement, Section 15(j)).

7) At our option, select a third-party management firm to assist you with the development and construction of your Circle K Business premises. These services will vary depending on the construction and equipment needed to construct or convert your business to Circle K standards and requirements (Franchise Agreement, Section 12.2).

8) Provide you with motor fuel in accordance with the Motor Fuel Commodity Schedule (Motor Fuel Agreement, Section 2).

9) Provide you online access to the Business Systems Manuals, including the Circle K Guide, which cover our operating policies, architectural and construction standards, operations, marketing and advertising policies and standards, promotional programs, risk management, loss prevention, accounting, and other business matters. The table of contents of the Business Systems Manuals as of our last fiscal year is attached as Exhibit D (Franchise Agreement, Section 9.1; (Motor Fuel Agreement, Section 9 (d)).

10) Provide you with on-site opening assistance at your Circle K Business, as required. You or your operations manager and business manager must have completed the training program, and the Circle K Business must be ready to begin operations prior to this on-site opening assistance (Franchise Agreement, Section 8.16). We are not obligated to provide you any pre-opening advertising, but will assist you with developing and carrying out a grand opening (Franchise Agreement, Section 6.2).

11) If you qualify, provide you with Funding (Franchise Agreement, Section 7.6).

12) Train you or your operations manager and your business manager, all of whom must complete the training program to our satisfaction, as follows (Section 8.14):

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
1. Business Operations Training; Business Management; Category Marketing and Merchandising Strategies; Circle K Business Image; Inventory Management; Customer Service - Brand Standards and Image Programs; Store Safety; Shift Management; Internet Use- TMCFranchise.com; Human Resource Management; Loss Prevention; Motor Fuel Sales, Safety, Inventory Management and Back-Office Systems	32 hours		Various locations including online classes and Microsoft Teams video-conferences
2. Regional In-Store Training		80 hours	Various regional company-operated locations
3. Additional In-Store Training		Up to 80 hours (as determined by TMC based on candidate's experience)	Various Circle K Businesses or company-operated locations regionally located

Stacy Huber has been our Training Manager of Worldwide Franchising since March 2017 and is responsible for our management training programs. From March 2016 through February 2017 she was our Franchise Training Specialist. From November 2012 through February 2016, she was the Centralized Hiring Manager for the Arizona Region of Circle K Stores Inc. From March 2010 through October 2012 she was a Business Manager for the Arizona Region of Circle K Stores Inc.

All classroom training will take place remotely through video and audio computer applications and/or at other locations as specified by us. You or your operations manager and your business manager will also be required to attend a two-week regional in-store training program conducted by our trainers at an existing company-operated location. The current fee for the regional in-store training program is $500 per person. Depending on your experience, we may require that you complete additional in-store training, which may or may not overlap with the regional in-store training. You will also be responsible to pay for wages, travel, lodging, meals and incidental expenses for you and your Business Manager while attending the initial and regional in-store training program. Your training will be led by trainers that are employed by us or our affiliates, or by contract trainers, all of whom have had previous training or convenience store operations experience. The Business Systems Manuals will be used as one of the principal instructional materials. On-the-job training may be conducted at various Circle K Businesses (Franchise Agreement, Section 8.14) based on our determination of your business experience.

If you fail the final exam for the classroom training or you fail any portion of the regional in-store training or the additional in-store training, we may require that you re-take the training, or any additional

training we determine and you will be charged for this training at the then-current rate – currently $2,000 per week. Failure to successfully complete this training will result in the termination of your agreement and the repayment of all of our expenses, including but not limited to the investment we have made in your property.

Notes to Training Schedule:

(1) After you sign your Franchise Agreement, you or your operations manager and your business manager must successfully complete our training program before opening your Circle K Business. You will receive up to 2 weeks of classroom training and up to 2 weeks of in-store training, which may overlap with the 2 weeks of classroom training. The training program consists of several different stages, and you must successfully complete all of the stages to our complete satisfaction. If you fail to successfully complete any stage of the training program, this will constitute not successfully completing the training program. You must complete the Training Program no earlier than one hundred eighty (180) days prior to the opening of your Circle K Business.

(2) If you hire a new manager or an additional business manager, you are responsible to ensure that your new manager is adequately trained to manage the Circle K Business, which does include a complete review of the Business Systems Manuals and which may include, at your cost, successfully completing our training program. Regardless of the method you select to conduct training, your new business manager is required to successfully complete training and be certified by us within the first 90 days of employment. Should you receive a default notice and the default relates, in whole or in part, to your failure to meet any operational standards, we may require as a condition of curing the default that you and/or your manager(s) re-attend and successfully complete our training program at your expense.

Continuing Obligations (Single Circle K Business Development)

During the operation of your Franchised Business, we will:

1) Periodically inspect your Circle K Business to determine whether you are operating and maintaining it as required by the Franchise Agreement, the Motor Fuel Agreement and Business Systems Manuals, and provide you with written quality performance reviews on each inspection (Franchise Agreement, Section 12.1(B); Motor Fuel Agreement, Sections 15(e) and (i)). In addition, we may make a special inspection of a Circle K Business because of specific problems that may take from one to two days.

2) Periodically update sections of the online Business Systems Manuals, including the Circle K Card Guide (Franchise Agreement, Section 9.2; Motor Fuel Agreement, Section 9(d)).

3) Provide you with motor fuel in accordance with the quantity requirements noted in your Motor Fuel Commodity Schedule (Motor Fuel Agreement, Section 2).

4) Offer periodic training for you or your operations manager and your Circle K Business business manager in specialized fields (Franchise Agreement, Sections 8.17, 8.18, and 8.20).

5) Periodically discuss with you operating and marketing issues concerning your Circle K Business (Franchise Agreement, Section 12.1(D)).

6) Provide you with the names of new approved sources of supplies and products (Franchise Agreement, Section 12.1(A); Motor Fuel Agreement Section 15(j)).

7) Provide reasonable assistance to you to implement the methods and procedures for business operations required by us (Franchise Agreement, Sections 12.1(A), (B), (C), and (D)).

8) Recommend to you a system of store-level electronic accounting and record keeping utilizing certain computer hardware and software (Franchise Agreement, Sections 11.1 and 11.2).

9) Provide you with periodic recommendations regarding obtaining products, securing vendors, and establishing purchasing, selling, and pricing strategies. We may, from time to time, make suggestions to you with regard to your pricing policies. Although you generally have the right to establish prices for the products and services you sell, we reserve the right to establish and enforce prices, both minimum and maximum, to the extent permitted by applicable law. (Franchise Agreement, Section 12.1(A)).

10) Make available to you advertising and promotional materials and advice for local advertising (Franchise Agreement, Sections 6.3 and 12.1(C)).

10) Approve all advertising and promotional materials submitted to us by you (Franchise Agreement, Section 6.4).

Marketing/Sales Promotions

The Promotional Fee collected by us (see Item 6) will be used to establish and develop local, regional and national marketing, sales promotions, image/customer service programs, franchisee incentive programs, equipment upgrades and advertising. Currently, the Promotional Fee consists of three components: Tier I (General Promotion), Tier II (Local and Regional Promotion) and Tier III (National Promotional). These components are discussed below:

Tier I – General Promotion. You will pay a fee of 0.25% of your Circle K Business's Gross Sales (on Gross Sales of up to $125,000) per Accounting Period for general promotional costs. We will use this fee for Circle K business image/ customer service inspections, incentive programs for franchisees, administrative costs associated with the Promotional Fund, and to pay for work done by outside advertising agencies in developing creative advertising concepts and in various promotional materials for the Circle K System.

Tier II – Local and Regional Promotion. The Tier II component covers local and regional promotional costs to promote Circle K Businesses. The fee for this component may vary based on the particular Designated Marketing Area (DMA) in which your Circle K Business is located and is subject to change from time to time. You will pay up to 1.25% of your Circle K Business's Gross Sales (on Gross Sales of up to $125,000) per Accounting Period for regional promotional costs. All Circle K franchisees who have signed a single site franchise agreement located within a given DMA may not pay the same fee. The Tier II funds will be used to cover regional promotion and equipment upgrades for the Circle K Businesses located in your region or DMA, which may also include radio, direct mailings, and newspaper advertising and other regional advertising efforts. At our option, and if there are surplus Local and Regional Promotional Fees, TMC may elect to direct a portion of the Local and Regional Promotional Fees to be used to fund the Local Store Marketing Program

("LSM"). The LSM will allow each franchisee the ability to use a portion of these funds on approved, store level marketing and promotional programs. LSM funds may not be available each year.

Tier III – National Promotion. This component of the Promotional Fees will be used primarily to conduct national advertising. The Tier III component is not currently in effect. If implemented (upon 60 days advance written notice), you will pay up to 0.25% of your Circle K Business's Gross Sales (on Gross Sales of up to $125,000) per Accounting Period for national promotion.

We have the final decision-making authority over all matters relating to the Promotional Fees collected and expended. We currently establish promotional programs for the promotion of the Circle K system and products. Our marketing department is responsible for category development, as well as the development of the promotional programs, which includes the production, research, and administration of advertising, marketing calendars, production of television, radio, newspaper, direct mail, and point of purchase advertising, grand opening activities for new Circle K business openings and all collateral materials. Upon written request, we will provide you with an annual unaudited accounting of the total amount of Promotional Fees collected and the total costs incurred by us. Our possession and custody of funds as Promotional Fees from you and other franchisees shall not be construed as making us a fiduciary with respect to the collection or expenditure of such funds, and any Promotional Fees will not be held in a trust or escrow account. In addition to Promotional Fees from franchisees, our affiliate Circle K Stores Inc. and outside vendors and suppliers may contribute monies to various promotional programs, although the company-operated Circle K Businesses are not required to contribute on the same basis. We are not obligated to spend the Promotional Fees collected in any particular market nor are we obligated to spend all of the Promotional Fees collected in any fiscal year. We cannot guaranty that you will benefit directly or pro rata from the Promotional Fund, and allocations from the Promotional Fund may benefit other franchise or company-owned Circle K businesses disproportionately to your Circle K Business. If our costs for a fiscal year for the advertising and promotions described above exceed or fall short of the Promotional Fees collected for a fiscal year, we may, at our option, carry the excess or shortfall to the next fiscal year. We may use a portion of the Promotional Fees to solicit new franchise sales.

During the year ended April 24, 2022, the Promotional Fees were spent as follows:

Point of Purchase Promotions	49%
Fixtures/Equipment	18%
Inspections/Incentives	10%
Local Store Promotions	8%
Administration	5%
Category Development	5%
Advertising	5%
	100%

You may develop advertising materials for your own use at your own cost and expense, which must comply with our standards. However, you must obtain our written approval before using any of the advertising materials you develop, including the grand opening activities at your Circle K Business. Our approval is required regardless of the form of media used for advertising, including electronic media, social

media and the internet. Any costs and expenses incurred by you for your own advertising, marketing, or sales promotions will be in addition to, and not in lieu of, the Promotional Fees.

You also must conduct a grand opening advertising and promotional campaign in connection with the opening of your Circle K Business. The grand opening advertising and promotional campaign must occur within 100 days of the date you begin conducting business at the Franchised Location under the Circle K Marks. All grand opening activities and related publicity must receive our prior written approval. We will provide a grand opening materials package to you. You will be responsible for all costs and expenses associated with your grand opening campaign; however, if you contribute toward the Tier II Promotional Fund, we will reimburse you (from funds deposited in the Promotional Fund) for pre-approved expenditures in the amount of $0.50 for each $1.00 you spend, up to a maximum reimbursement of $4,000.

In addition, you must conduct such promotions and special events, and offer such promotional items, as we may require from time to time. You must participate in any loyalty programs and other marketing and promotional initiatives that we may from time to time establish. We have the right to modify the participation criteria or discontinue such initiates at any time upon written notice to you.

We currently do not have an advertising council, but we reserve the right to create one in the future.

As of the date of this Disclosure Document, there are no advertising cooperatives or local marketing groups (collectively, "LMGs") formed, but we reserve the right to designate or form one in your area in the future and require you to participate in the LMG. The Franchise Agreement does not provide and we currently do not have a plan for determining: (1) how the area or membership of the LMG is defined, (2) how much a franchisee must contribute to the LMG and whether franchisees contribute different amounts, (3) whether the franchisor-owned outlets must contribute to the LMG and if so, whether on the same basis, (4) who is responsible for administering the cooperative, (5) whether the LMG must operate from written governing documents and whether these documents are available for franchisees to review, and (6) whether the LMGs must prepare annual periodic financial statements and whether they are available for a franchisee to review. We also reserve the right to change, dissolve or merge any LMG.

Additional Training

We may hold additional or refresher training courses from time to time, and may require that you and your business managers attend these courses. There will be no fee charged for these courses (unless we elect to conduct training in a location near you to accommodate your needs), but you will have to pay for the costs of travel, lodging, meals, and other expenses incurred by you and your business managers (or, as applicable, your designated trainer) in attending this training.

Any training provided by us to any of your employees will be limited to training or guiding the employees regarding the provision of approved products and services to customers in a manner that reflects the customer service standards of the Circle K System. You are, and will remain, the sole employer of your employees at all times, including during all training programs, and you are solely responsible for all employment decisions and actions related to your employees. You are solely responsible for ensuring that your employees receive adequate training.

Opening

Franchisees typically open their Circle K Businesses within 90 to 180 days after they sign a Franchise Agreement if their Circle K Business is a conversion business, and within 9 to 12 months if their Circle K Business is a newly built business. The factors that affect this time period are the ability to obtain a lease, financing or building permits, zoning and local ordinances, weather conditions, labor shortages and delayed installation of equipment, fixtures, and signs. Depending on the extent of the necessary work, we may require you to either close the business, or keep the business open, during the conversion process.

The Circle K Business must be fully constructed in accordance with Section 7.1 of the Franchise Agreement and should be ready to open within (i) 180 days after the effective date of the Franchise Agreement (the "Effective Date"), if the Circle K Business is a conversion business; (ii) 365 days of the Effective Date, if the Circle K Business is a newly built business; or (iii) 240 days of the Effective Date, for all other types of construction projects. Your failure to open the Circle K Business within (i) one year of the Effective Date if the Circle K Business is a conversion business, or (ii) two years of the Effective Date if the Circle K Business is a newly built business, shall be grounds for immediate termination by us.

Computer System

You are required to obtain and use in the operation of your Franchised Business a point of sale and operations data management system, including hardware, software, communication and data storage system, that meets our specifications and requirements, as the same may be modified from time to time by us (the "Computer System"). The Computer System will monitor and manage the retail operations from your Circle K Business, including record management, accounting and record keeping functions, preparation of reports, organizing of inventory, communicating via e-mail, e-training and accessing the Internet. As part of the Computer System, you may also be required to obtain certain hardware and software, and associated communication lines, in the form of payment, activation, or acceptance terminals related to proprietary gift card, cash card, telecom, or other electronic card based proprietary programs. You may be required to attend training for the Computer System. You will be responsible for all costs associated with the Computer System, including those relating to software licenses, hardware, training, on-going support and upgrades. We have the right to require you to purchase the Computer System from a single source or sources we designate. You will license the Computer System software from one or more of our designated suppliers (currently, NCR/Radiant Systems, Inc. and PDI). You must purchase or lease the hardware required to operate the Computer System and pay to the third-party supplier the prevailing monthly fee for periodic upgrades and ongoing support and maintenance. The acquisition cost of the Computer System currently is about $39,000 to $46,000.

We may require you to purchase or lease, at your cost, other computer systems or related services (with capabilities to run the Computer System); mobile, smart and other electronic devices; smart processors in hardware; software and related hardware; computer peripherals; and systems to access the Internet, as we may from time to time specify.

Regardless of whether we require you to install and use a Computer System, you must have, at all times, access to the Internet through an established service provider and maintain an active e-mail account on the Internet at your Circle K Business and keep us informed of the e-mail address for your account.

You will be required to pay to the Computer System supplier (currently NCR/Radiant Systems, Inc. and PDI) or its designee the prevailing periodic fee for support and maintenance of the Computer System. The current service cost per Accounting Period for the Computer System is $600 to $1,000.

It is your responsibility to make sure that you are in compliance with all laws that are applicable to the Computer System or other technology used in the operation of your Circle K Business, including all data protection or security laws as well as PCI compliance.

In addition, you must use the TMC Software in the operation of the Franchised Business and enter into a Software Agreement with us or our affiliates and pay a periodic maintenance and support fee to us or our affiliates for the use and upgrades of your TMC Software. Currently, there is no fee being charged in conjunction with the Software Agreement, but we have the right to do so upon sixty (60) days' written notice.

We may on written notice require you to participate in a website, the Extranet, Intranet, or other on-line communications (including social media). We will determine the content and use of the website, Extranet, Intranet, or other on-line communications (including social media) and will establish rules under which you may or will: (a) participate in such website, Extranet or Intranet, or (b) separately use the Extranet, Internet or other on-line communications (including social media).

We must at all times have full access to the Circle K Business sales-related data contained in your Computer System. This means that we have the right to contact your Computer System independently via modem or another electronic device and inspect or copy the information on your Computer System. There are no contractual limitations on the data we may extract from your Computer System. This will allow us to monitor your daily sales and the business activity at the Circle K Business. You are required to process an accurate daily report in your Computer System and to close your business in your Computer System daily. This includes the posting of all receipts and other related items. To facilitate automated communications, a dedicated communications line is required for your Computer System. This line will be used to obtain data needed to calculate certain fees owed to us, as well as to provide you with other support. Also, in order for us to calculate and for you to receive rebates, you must strictly comply with our systems and communications requirements. Further, we may update the minimum hardware and software requirements for the Computer System and you must comply with any update at your expense. There are no contractual limitations on the hardware and software upgrades that we may require you to make.

We may enter (at all reasonable times) your Circle K Business, electronically or in person, to inspect your compliance with the Franchise Agreement and Motor Fuel Agreement. We may also audit your records, including electronic data and other records, upon 48 hours' prior written notice to you.

In addition, you will be required to sign a Credit Network Agreement, pursuant to which you will receive access to the TMC Network, our online debit/credit network for processing debit and credit transactions. You will be required to use the TMC Network to process debit and credit card transactions. You will be required to pay any debit/credit card (processing) fees and/or service (transaction) fees that we may charge. We currently charge the fees stated in Item 6 in connection with all credit/debit card transactions, and such fees are subject to change upon 30 days' prior notice to you. We reserve the right to replace the TMC Network with a substitute network and charge you fees for access to and use of the substitute network. See also Item 6.

Other than as set forth above, we are not obligated to provide other supervision, assistance, or services after the opening of your Circle K Business.

ITEM 12
TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. The Franchise Agreement grants you the right to operate one Circle K Business only at the location specified. You may not relocate your site without our prior written consent. If we consent to relocation of your Circle K Business, you must construct the new Circle K Business in accordance with our current specifications and at your sole cost and expense, including a relocation fee of 50% of the Initial Franchise Fee you paid when you signed the Franchise Agreement as reimbursement for expenses we have incurred in connection with the relocation.

You do not receive any rights to: (i) sell products or merchandise (including motor fuel) identified by the Circle K Marks at any location (other than your approved Circle K Business premises) or through any other channels or methods of distribution, including the internet (or any other existing or future form of electronic commerce); (ii) sell products or merchandise (including motor fuel) identified by the Circle K Marks to any person or entity for resale or further distribution; or (iii) exclude, control or impose conditions on TMC's development or operation of franchised, company or affiliate owned convenience stores/motor fuel businesses at any time or at any location.

We may grant franchises for Circle K Businesses or Other Circle K Franchised Outlets (with or without motor fuel businesses), and/or operate Circle K Businesses or other Circle K-branded convenience stores (with or without motor fuel businesses), at any location as determined by us, regardless of proximity to your Circle K Business.

We reserve the right to sell products and services (including motor fuel) bearing the Circle K Marks within your trade area through Circle K convenience stores/gas stations, other convenience stores/gas stations and alternate channels of distribution other than convenience stores/gas stations. We and our affiliates also are free to establish or operate other company-owned or franchised outlets or channels of distribution selling products or services under a trademark different than the Circle K Marks. In particular, as described below, we or our affiliates have the right to operate and establish company-owned or franchised outlets under the *On the Run*®, *Kangaroo Express*®*, Holiday Stationstores*® and *Corner Store*® marks. These products or services may or may not be similar to the products and services offered at your Circle K Business. All of these locations and activities may compete with you. We also may vary standards for any Circle K franchise owner based on a particular site or circumstance, population variations, business potential, trade area, existing practices, or any other condition which we may determine to be significant.

We are not required to pay you if we exercise any of the rights specified above.

The *On the Run*® businesses sell goods and services similar to the franchise offered under this Disclosure Document. Specifically, the *On the Run*® business offers convenience store franchises under the *On the Run*® mark. Currently, the outlets operated under the *On the Run*® mark will be franchised, but we reserve the right to own or operate outlets under the *On the Run*® mark. Franchisees using the *On the Run*® mark have the right to solicit customers in your trade area. The *On the Run*® franchise business is operated from the same offices as the Circle K franchise business, at 1130 West Warner Road, Tempe,

Arizona 85284. We currently provide training for *On the Run*® franchisees in the same facility as Circle K franchisees.

We may grant franchises for *On the Run*® stores or operate *On the Run*® stores at any location as determined by us, regardless of proximity to your Circle K Business.

The *Kangaroo Express*® businesses also sell goods and services similar to the franchise offered under this Disclosure Document. As mentioned in Item 1 of this Disclosure Document, beginning in 2015, we began offering and selling franchises under the *Kangaroo Express*® marks for the operation of *Kangaroo Express*® convenience stores and motor fuel businesses. We have, and in the future our franchisees using the *Kangaroo Express*® mark may have, the right to solicit customers in your trade area. The *Kangaroo Express*® franchise business is operated from the same offices as the Circle K and *On the Run*® franchise businesses, at 1130 West Warner Road, Tempe, Arizona 85284. We currently provide training for *Kangaroo Express*® franchisees in the same facility as Circle K and *On the Run*® franchisees.

We may grant franchises for *Kangaroo Express*® stores or operate *Kangaroo Express*® stores at any location as determined by us, regardless of proximity to your Circle K Business.

The *Holiday Stationstores*® businesses also sell goods and services similar to the franchise offered under this Disclosure Document. As mentioned in Item 1 of this Disclosure Document, in December 2017, we acquired HDS, which offers and sells franchises under the *Holiday Stationstores*® marks for the operation of *Holiday Stationstores*® convenience stores and motor fuel businesses. HDS and its affiliates have, and in the future franchisees using the *Holiday Stationstores*® mark may have, the right to solicit customers in your trade area. The *Holiday Stationstores*® franchise business is operated from HDS's principal place of business at 4567 American Boulevard West, Minneapolis, Minnesota 55437.

HDS may grant franchises for *Holiday Stationstores*® stores and HDS or its affiliates may operate *Holiday Stationstores*® stores at any location as determined by HDS or its Affiliates, regardless of proximity to your Circle K Business.

The *Corner Store*® businesses also sell goods and services similar to the franchise offered under this Disclosure Document. As mentioned in Item 1 of this Disclosure Document, beginning in 2019, we began offering and selling franchises under the *Corner Store*® marks for the operation of *Corner Store*® convenience stores. We have, and in the future our franchisees using the *Corner Store* mark may have, the right to solicit customers in your trade area. The *Corner Store*® franchise business is operated from the same offices as the Circle K, *On the Run*®, and *Kangaroo Express*® franchise businesses, at 1130 West Warner Road, Tempe, Arizona 85284. We currently provide training for *Corner Store*® franchisees in the same facility as Circle K®, *On the Run*® and *Kangaroo Express*® franchisees.

We may grant franchises for *Corner Store*® stores or operate *Corner Store*® stores at any location as determined by us, regardless of proximity to your Circle K Business.

Continuation of your franchise depends on your purchase of a certain quantity of motor fuel from us as outlined further in your Motor Fuel Agreement. Your failure to purchase the quantity of motor fuel outlined in your Motor Fuel Agreement may result in termination of the Motor Fuel Agreement and the Franchise Agreement. We generally will not grant you any options, rights of first refusal or similar rights to acquire additional franchises within a particular territory or contiguous territories.

There are no restrictions on the customers that you may solicit or service, but you do not have the right to use other channels of distribution such as mail order, catalog, telemarketing or Internet to make sales to customers.

ITEM 13
TRADEMARKS

You are granted the right to operate the Franchised Business under the Circle K Marks, which are owned by our parent, Circle K Stores Inc. The Marks are licensed to TMC under a license agreement with Circle K Stores Inc. dated March 30, 2009, that has successive one-year terms. Circle K Stores Inc. has the right to terminate the license agreement at any time if TMC fails or neglects to perform its obligations regarding the quality usage standards of the trademarks, following a 30-day right-to-cure period. You may use the Marks only in the manner authorized and permitted by us, and only under the terms of the Franchise Agreement and Motor Fuel Agreement. By "Marks," we mean all trademarks, service marks, trade names, logos, and commercial symbols used to identify the Circle K Business. We may change, modify, or discontinue any of the Marks listed below.

The following Marks are registered on the Principal Register in the United States Patent and Trademark Office. All required affidavits and renewals for the registered trademarks listed below have been filed.

The Mark	Description of the Mark	Registration Date	Registration Number
Circle K	Word mark	March 24, 1981	1,149, 199
CIRCLE K	Circle K Design	May 2, 2017	5196054
K	K Design	May 2, 2017	5196055
CIRCLE K	Circle K Design	February 13, 2018	5399871

There are currently no effective material determinations by the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, or any pending infringement, opposition, or cancellation proceedings, or any pending material litigation involving the Marks in the United States. No agreements limit either TMC's or our affiliates' rights to use or license others to use the Marks.

You must use the Marks only in the manner set forth in the Franchise Agreement, Motor Fuel Agreement, and the Business Systems Manuals, and as specified periodically by us. We have the right to modify or discontinue use of any Mark or to use one or more additional or substitute names or Marks, and you must comply, at your expense, with our directions with respect to these changes. We may, however, reimburse you for certain expenses where such changes result from an adverse third-party claim or a court

decision. You may not use any of the Marks as part of your corporate, partnership or other legal entity name.

You must notify us immediately if you learn about an infringement of or challenge to your use of our Marks. We have the right to take whatever action we believe is, in our judgment, appropriate. TMC and our affiliates have the right to manage and resolve disputes with third parties concerning the Marks. Except as noted below, we are not required to defend you against any claim opposing your use of the Marks. You may tender the defense of any trademark action to us within 7 days after you receive it. You can hire your own attorney to defend you in this action, but you must pay your own legal expenses. If any claim relates just to your use of the Marks in complete compliance with your Franchise Agreement and Motor Fuel Agreement, we will defend you against any such claim and will protect, indemnify, and hold you harmless from any loss from this claim. You may not contest our rights to the Marks, trade secrets, or our proprietary and distinctive business system.

Neither TMC nor our affiliates know of any infringing or prior uses that could materially affect your use of the Circle K Marks.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We do not grant you the right to use any items covered by a patent, pending patent application or copyright, but we do permit you to use proprietary information in the Business Systems Manuals. See Item 11. Although we have not filed an application for copyright registration for the Business Systems Manuals and related materials, the information in the Business Systems Manuals and related materials is proprietary, and we claim copyrights to the entire Business Systems Manuals and related materials used in connection with the operation of your Circle K Business.

There are currently no effective determinations of the Copyright Office (Library of Congress), United States Patent and Trademark Office, Board of Patent Appeals and Interferences, or any court, or any pending infringement, opposition or cancellation proceeding or any pending material litigation involving any patents or copyrights. There are currently no agreements in effect that significantly limit our rights to use or license the use of any patents or copyrights in any manner material to the franchise. There are no infringing uses actually known to us that could materially affect your use of the patents or copyrights.

We are not obligated to protect you against infringement or unfair competition claims arising out of your use of any patents or copyrights, or to participate in your defense or indemnify you. We reserve the right to control any litigation related to any patents and copyrights and we have the sole right to decide to pursue or settle any infringement actions related to the patents or copyrights. You must notify us promptly of any infringement or unauthorized use of the patents or copyrights of which you become aware.

All ideas, concepts, techniques, or materials concerning the Business System, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed to be solely and exclusively our property, part of the Business System, and works made-for-hire for us. To the extent any item does not qualify as a "work made-for-hire" for us, you assign ownership of that item, and all related rights to that item, to us and you must take whatever action (including signing assignment or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item.

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

We do not require that you personally manage the Franchised Business, but you must be actively involved in the day-to-day operations of the Circle K Business and spend adequate management time required to maintain the standards of the Franchise Agreement and Motor Fuel Agreement. If you do not personally manage the Circle K Business, the business must be directly supervised "on-premises" by a manager who has successfully completed our training program and this person must be designated as your "Key Person" in the Franchise Agreement and Motor Fuel Agreement. You or your operations manager and your business manager must successfully complete the required training program in order to be authorized and permitted to operate and manage the Circle K Business. The on-premises manager need not have an ownership interest in the franchise. You, your manager, and other employees must agree to maintain confidentiality of the proprietary information described in Item 14.

The Circle K Business is to be open for business in normal operations (doors open and fully illuminated) 24 hours a day, 7 days a week (including all holidays), unless otherwise agreed by us in writing, or unless prohibited by law. If you operate the Circle K Business for less than 24 hours any day during a month in a locality that is not prohibited by local law or ordinances to operate 24 hours a day, or if you operate the Circle K Business for 24 hours a day, 7 days a week but utilize a pass-through window or bullet-resistant glass surrounding your sales counter for any such time, your Royalty Fee rate applicable to Gross Sales may be increased by up to 1%.

No employee of yours will be deemed to be an employee of ours for any purpose whatsoever, and nothing in any aspect of the Business System or the Marks in any way shifts any employee or employment related responsibility from you to us. You alone are responsible for hiring, firing, training, setting hours for and supervising all employees.

If you operate the franchise under any form of business entity (and not as an individual), then each person owning an equity or voting interest in the entity must sign a Personal Guaranty in the form attached to this Disclosure Document as Exhibit I. In addition to the Personal Guaranty, a cross-corporate guaranty may also be required in certain circumstances.

As between us and you, you are solely responsible for the safety and well-being of your employees and the customers of the franchise business.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We require you to offer and sell at your Circle K Business only those products and services specified or approved by us, which will include those products and services generally offered at Circle K Businesses. You must offer for sale all products and services that we designate as required for all franchisees. These products and services will consist generally of the products and services offered by convenience stores and motor fuel businesses. Your convenience store products and services must be presented in the store according to the floor plan and gondola plan specifications of the Plan-O-Gram presentation design provided to you by us. You must comply with every detail of the Plan-O-Gram designed for your Circle K Business. Your Circle K Business store plan may not vary from the written Plan-O-Gram without our written approval. You also may not sell any products, merchandise or services relating to the Circle K

Marks or purchased through Circle K's negotiated purchase arrangements with suppliers at any location other than your Franchised Location. We have the right to add additional products and services that you must offer. There are no limits on our right to do so. See Items 8 and 9.

You may sell alcoholic beverages and tobacco products only in accordance with local licensing and other legal requirements.

You must offer and sell only motor fuel supplied by us or our affiliate pursuant to the Motor Fuel Agreement.

You are not limited in the customers to whom you may sell products or services, except as restricted by law.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise or other agreement*	Summary
a. Length of the franchise term	Section 3.1; Section 3.1 of Software Agreement; Section 1 of the Motor Fuel Agreement	Franchise Agreement/ Motor Fuel Agreement: Term is 10 years from the date your Circle K Business is deemed by us to be open for business under the Franchise Agreement. Software Agreement: Term is the lesser of 10 years or the date of termination or expiration of the Franchise Agreement.
b. Renewal or extension	Section 3.2; Section 3.1 of Software Agreement; Section 1 of the Motor Fuel Agreement	Franchise Agreement: If you are in good standing, you can renew for one renewal term. You must execute our then-current form of franchise agreement at renewal. Software Agreement: May be renewed for a renewal term equal to that of the Franchise Agreement. Motor Fuel Agreement: same as under the Franchise Agreement. May only renew if Franchise Agreement is renewed at the same time.
c. Requirements for franchisee to renew or extend	Section 3.2; Section 1 of the Motor Fuel Agreement	Franchise Agreement: You must provide prior written notice to us; be in compliance with the Franchise Agreement; not received customer complaints regarding operation of Circle K Business; all monetary obligations must be paid in full; you must remodel your Circle K Business premises; sign a release; sign the then-current franchise agreement (that contains terms and conditions that may be materially different from those in your previous franchise agreement, such as different fee requirements and territorial rights); and you must have right to lease the premises for the length of the renewal term; there is no renewal fee. Motor Fuel Agreement: You must comply with the same renewal conditions as set forth in the Franchise Agreement, including sign the then-current motor fuel agreement (that contains terms and conditions that may be materially different from those in your previous motor fuel agreement, such as different fee requirements and territorial rights). You can only renew Motor Fuel Agreement if you are renewing the Franchise Agreement at the same time.
d. Termination by franchisee	Not Applicable	

Provision	Section in Franchise or other agreement*	Summary
e. Termination by franchisor without cause	Not Applicable	
f. Termination by franchisor with cause	Article 14; Section 3.2 of Software Agreement; Section 21 of the Motor Fuel Agreement	We may terminate only if you default or your premises lease is terminated or expires.
g. "Cause" defined - curable defaults	Sections 14.3 & 14.6; Section 3.2 of Software Agreement; Section 21 of the Motor Fuel Agreement	Franchise Agreement/ Motor Fuel Agreement: You have 5 days to cure nonpayment of fees. You have 30 days to cure other defaults except for defaults listed in Sections 14.1 and 14.2, which are grounds for immediate termination. Software Agreement: You have 30 days to cure material breach of Software Agreement; if breach of a nature incapable of being cured in 30 days, you shall be entitled to no more than 90 days to effectuate a cure.
h. "Cause" defined – non-curable defaults	Section 14.1 & 14.2; Sections 2.3.5 & 2.3.6 of Software Agreement; Section 21 of the Motor Fuel Agreement	Franchise Agreement/ Motor Fuel Agreement: Bankruptcy, abandonment, misconduct, fraud, repeated defaults even if cured, failure to timely open your Circle K Business, seizure of Franchised Business, felony, expiration or termination of your lease or sublease, termination of any other agreement between the parties, violation of law, material statement of untrue fact, misuse of marks, unauthorized transfer. Software Agreement: Non-approved transfer, termination and expiration of Franchise Agreement.
i. Franchisee's obligations on termination / non-renewal	Section 14.7; Sections 1.4, 2.3.6 & 3.3 of Software Agreement; Section 21 of Motor Fuel Agreement	Franchise Agreement/ Motor Fuel Agreement: Payment of all amounts due, including liquidated damages as applicable and any reimbursement for Funding, complete de-identification, return all copies of Business Systems Manuals and other proprietary information, cease using the Circle K Marks (also see "r" below). Subject to the above, provided you are not in default of any Franchise Agreement(s), you may continue operating applicable Circle K Businesses under the terms of such Franchise Agreements. Software Agreement: Return of TMC Software with executed certificate, assignment of equipment lease or sale of equipment to TMC, payment of any fees for disconnection and removal of equipment.
j. Assignment of contract by franchisor	Section 15.1; Section 15 of Motor Fuel Agreement	Franchise Agreement/ Motor Fuel Agreement: No restriction on our right to assign.
k. "Transfer" by franchisee - defined	Section 15.2; Section 15 of Motor Fuel Agreement	Franchise Agreement/ Motor Fuel Agreement: Includes transfer of interest in Franchise Agreement or assets or ownership change of more than 50%, or change in effective control as defined by Franchisor.
l. Franchisor approval of transfer by franchisee	Section 15.2; Section 3.14 of Software Agreement; Section 15 of Motor Fuel Agreement	Franchise Agreement/ Motor Fuel Agreement: We have the right to approve all transfers but will not unreasonably withhold approval. Software Agreement: Any transfer by you is subject to our prior written consent.

Provision	Section in Franchise or other agreement*	Summary
m. Conditions for franchisor approval of transfer	Section 15.2; Section 3.14 of Software Agreement; Section 15 of Motor Fuel Agreement	Franchise Agreement/Motor Fuel Agreement: New franchisee qualifies, current form of franchise agreement signed, new franchisee assumes all obligations under franchise agreement and motor fuel agreement, new franchisee's operations manager and business manager successfully complete training, all amounts due us are paid, upgrades (if required) must be done to location within nine months, release signed by you, transfer fee paid, and you must have complied with all laws and secured all permits and licenses (also see "r" below). Software Agreement: You provide TMC at least 60 days' notice of transfer, assignee agrees to be bound by all terms of Software Agreement, and assignee is approved in writing by TMC as a Circle K franchisee.
n. Franchisor's right of first refusal to acquire franchisee's business	Article 16	Franchise Agreement/Motor Fuel Agreement: We have a right of first refusal whenever you seek to assign or transfer the franchised business. Our right is on the same terms as those contained in the third party's offer.
o. Franchisor's option to purchase franchisee's business	Article 16; Section 1.4 of Software Agreement	Franchise Agreement/Motor Fuel Agreement: During the term and for 1 year after termination or expiration of the Franchise Agreement, we have the right to match any third party offer to purchase of the business assets of the Circle K business. Our right is on the same terms as those contained in the third-party offer. Software Agreement: Upon default of the Software Agreement or Franchise Agreement, TMC may purchase your interest in the Equipment for its then current market value.
p. Death or disability of franchisee	Section 15.4; Section 31 of Motor Fuel Agreement	Franchise Agreement: Must be assigned by estate to approved buyer within 6 months after death or disability (see also "m" above). Motor Fuel Agreement: same as under the franchise agreement, subject to state law.
q. Non-competition covenants during the term of the franchise	Section 10.1	Franchise Agreement: No involvement in competing business within 2 miles of any business conducted under the Circle K Marks without our prior consent.
r. Modification of the agreement	Section 20.13; Section 3.5 of Software Agreement; Section 28 of Motor Fuel Agreement	Franchise Agreement: Agreement may be amended only by written agreement signed by you and TMC, but Business Systems Manuals are subject to change by TMC. Software Agreement: No modification or waiver effective unless in writing by party to be charged. Motor Fuel Agreement: No modification or waiver effective unless in writing by party to be charged.
s. Integration/ merger clause	Section 20.11; Section 3.17 of Software Agreement; Section 28 of Motor Fuel Agreement	Only the terms of the Franchise Agreement and its exhibits (including the Software Agreement and Motor Fuel Agreement) are binding (subject to state law). Any statements or promises not in the franchise agreement (or its exhibits) or this Disclosure Document should not be relied upon and may not be enforceable. Motor Fuel Agreement: Only the terms of the Motor Fuel Agreement and Franchise Agreement are binding (subject to state law). Any statements or promises not in the Motor Fuel Agreement, Franchise Agreement or this Disclosure Document should not be relied upon and may not be enforceable.
t. Dispute resolution by arbitration or mediation	Article 18; Section 34 of Motor Fuel Agreement	All disputes must be mediated and arbitrated in the county where our corporate headquarters are located at the time of the dispute.

Provision	Section in Franchise or other agreement*	Summary
u. Choice of forum	Section 18.6; Section 34 of Motor Fuel Agreement	Franchise Agreement/Motor Fuel Agreement: Litigation must be in a state or federal court in the county where our corporate headquarters are located at the time of the dispute (subject to state law).
v. Choice of law	Section 20.5; Section 35 of Motor Fuel Agreement	Arizona law applies (subject to state law).

*Unless otherwise noted, Article references are to the Franchise Agreement.

NOTES:

(1) If you materially breach the terms of the Franchise Agreement or the lease, we will have the right to cause all of your interest, rights, title, powers, and privileges under the lease to be transferred to us.

(2) We are not obligated under the Franchise Agreement to do so, but, if the franchise is terminated or expires, we have the right to purchase leasehold interests, fixtures, equipment, furniture, furnishings, supplies and inventory at fair market value. This policy is subject to change at any time.

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

The data presented below in this Item 19 with respect to company-operated stores relates to Circle K-branded convenience store businesses operated by affiliates of TMC (operating with or without a motor fuel business, which motor fuel business may or may not sell Circle K branded fuel). The company-operated Circle K branded stores are substantially similar to the Franchised Business offered under this Disclosure Document, they operate under the Marks and under a substantially similar business system, and they offer and sell substantially similar products and services to the products and services offered and sold by the Franchised Business. The definition of Merchandise Sales used in the calculation of Merchandise Sales for the company-operated Circle K-branded stores (as set forth below in this Item 19) is the same as the definition of Gross Sales used with respect to Gross Sales of the Franchised Business (as set forth in Item 6), except that the definition of Merchandise Sales excludes revenue from the operation of a car wash, whereas the definition of Gross Sales (as set forth in Item 6) includes revenue from the operation of a car

wash, if any. Therefore, TMC believes that it has a reasonable basis for inclusion of Merchandise Sales and other data with respect to the company-operated Circle K-branded stores in this Item 19.

The data presented below in this Item 19 with respect to Other Circle K Franchised Outlets relates to Circle K-branded franchised convenience store businesses (operating with or without a motor fuel business, which motor fuel business may or may not sell Circle K branded fuel) that operate under franchise agreements entered into pursuant to a separate franchise disclosure document from this Disclosure Document (as noted in Item 1). The Other Circle K Franchised Outlets are substantially similar to the Franchised Business offered under this Disclosure Document, they operate under the Marks and under a substantially similar business system, and they offer and sell substantially similar products and services to the products and services offered and sold by the Franchised Business. The definition of Merchandise Sales used in the calculation of Merchandise Sales for the Other Circle K Franchised Outlets (as set forth below in this Item 19) is the same as the definition of Gross Sales used with respect to Gross Sales of the Franchised Business (as set forth in Item 6), except that the definition of Merchandise Sales also excludes revenue from the operation of a car wash, whereas the definition of Gross Sales (as set forth in Item 6) includes revenue from the operation of a car wash, if any. Therefore, TMC believes that it has a reasonable basis for inclusion of Merchandise Sales and other data with respect to the Other Circle K Franchised Outlets in this Item 19.

I. Company-Operated Stores Merchandise Sales Data.

As of April 24, 2022, there were a total of 5,261 company-operated Circle K stores. The information provided in this Section I represents the unaudited Merchandise Sales data for the fiscal year ended April 24, 2022 (i.e., the 52-week period ended April 24, 2022) for the 5,058 company-operated Circle K stores that were open and operating the entire fiscal year (the "Reporting Company Stores"). We have separated the Reporting Company Stores' data by region (West Coast, Grand Canyon, Rocky Mountain, Southeast, South Atlantic, Coastal Carolinas, Florida, Gulf Coast, Midwest, Great Lakes, Heartland and Texas) and then by quartile based on the Merchandise Sales achieved. 187 company-operated Circle K stores were excluded from this Section I because they opened during the fiscal year ended April 24, 2022 and therefore did not report full 52 weeks of data for the fiscal year, and an additional 16 stores were excluded because they were temporarily closed for a period of time (e.g., due to remodeling or upgrades) and therefore did not report full 52 weeks of data for the fiscal year.

270 company-operated Circle K stores were excluded from this Item 19 because they closed during the 52-week period ended April 24, 2022. Of the 270 businesses that closed during the 52-week period, no businesses closed after being open for less than 12 months.

"Merchandise Sales" means the total dollar income from the sale of all goods, wares, merchandise, and services sold, whether sold for cash, for payment by check, on credit, on barter or otherwise, without reserve or deduction for the inability or failure to collect from customers, and all other items of value received as payment in the course of such operations (including, without limitation, handling and placement fees and fees for the operation of coin-operated and other machines), excluding the following:

(i) motor fuel sales, car wash revenues (provided the car wash is not using the Marks), money orders, lottery, pay phones, ATMs, postage stamps, pre-paid phone card, gift cards, and gaming machines;

(ii) sales from other approved royalty-based franchises that require separate point-of-sale equipment as part of their business system (excluding any approved additional business which is subject to the separate Co-Branded Royalty Fee (as defined in Item 6));

(iii) authorized cash or credit refunds made upon transactions that were previously included in Merchandise Sales, not exceeding the selling price of merchandise returned by the purchaser and accepted, which refunds may be deducted from Merchandise Sales in the accounting period made;

(iv) the amount of any separated, collected, and stated city, county, state, or federal sales, luxury, or excise tax on such sales, which you pay directly to the taxing authorities rather than to suppliers; provided, however, that no franchise or capital-stock tax or any other similar tax based upon income, profits, or gross sales shall be deducted from Merchandise Sales; and

(v) other products or services we may from time to time approve in writing for calculation of Merchandise Sales on the basis of earnings as opposed to sales proceeds.

The Reporting Company Stores contained in this Section I have been open on average for approximately 20 years.

Reporting Company Stores:

West Coast (CA, WA)	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Top Quartile	47% (25 of 53)	$2,670,909	$2,611,887	$2,183,165	$3,730,476
2nd Quartile	47% (25 of 53)	$1,989,638	$1,957,475	$1,842,169	$2,170,172
3rd Quartile	45% (24 of 53)	$1,633,943	$1,622,990	$1,426,444	$1,833,346
4th Quartile	57% (30 of 53)	$1,026,748	$1,105,999	$385,194	$1,389,644
All (212 stores)	51% (108 of 212)	$1,830,309	$1,837,757	$385,194	$3,730,476

Grand Canyon (AZ, NV)	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Top Quartile	37% (58 of 157)	$3,577,713	$3,355,898	$2,822,435	$6,961,470
2nd Quartile	45% (71 of 157)	$2,486,993	$2,470,203	$2,243,425	$2,811,025
3rd Quartile	49% (77 of 156)	$2,044,022	$2,038,189	$1,852,932	$2,242,598
4th Quartile	56% (88 of 157)	$1,568,199	$1,618,829	$885,809	$1,851,275
All (627 stores)	40% (253 of 627)	$2,419,830	$2,243,425	$885,809	$6,961,470

Rocky Mountain (CO, NM, TX)	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Top Quartile	37% (28 of 76)	$2,629,606	$2,499,486	$2,083,722	$4,370,199

2nd Quartile	54% (41 of 76)	$1,814,196	$1,823,462	$1,637,405	$2,082,638
3rd Quartile	48% (36 of 75)	$1,477,074	$1,467,725	$1,318,986	$1,630,579
4th Quartile	59% (45 of 76)	$1,049,480	$1,082,580	$290,616	$1,312,379
All (303 stores)	42% (127 of 303)	$1,743,465	$1,637,405	$290,616	$4,370,199

Southeast (GA, NC, SC)	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Top Quartile	41% (36 of 87)	$2,608,255	$2,493,358	$2,175,241	$4,062,724
2nd Quartile	45% (39 of 87)	$1,969,494	$1,943,817	$1,788,736	$2,174,315
3rd Quartile	48% (42 of 87)	$1,575,312	$1,567,697	$1,391,594	$1,786,529
4th Quartile	54% (47 of 87)	$1,160,097	$1,182,349	$613,973	$1,387,348
All (348 stores)	47% (164 of 348)	$1,828,289	$1,787,633	$613,973	$4,062,724

South Atlantic (FL, GA)	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Top Quartile	37% (33 of 90)	$2,675,430	$2,516,061	$2,179,156	$4,136,532
2nd Quartile	47% (42 of 90)	$1,999,169	$1,994,445	$1,831,197	$2,173,090
3rd Quartile	49% (44 of 89)	$1,692,984	$1,691,627	$1,548,607	$1,830,736
4th Quartile	58% (52 of 90)	$1,337,134	$1,371,466	$796,961	$1,548,564
All (359 stores)	43% (153 of 359)	$1,926,829	$1,831,197	$796,961	$4,136,532

Coastal Carolina (NC, SC, VA)	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Top Quartile	39% (36 of 92)	$2,731,716	$2,607,268	$2,149,390	$4,424,188
2nd Quartile	53% (49 of 92)	$1,920,685	$1,933,487	$1,688,315	$2,148,047
3rd Quartile	52% (47 of 91)	$1,517,779	$1,534,160	$1,331,826	$1,686,402
4th Quartile	64% (59 of 92)	$1,078,386	$1,116,043	$512,340	$1,331,450
All (367 stores)	42% (154 of 367)	$1,812,944	$1,688,315	$512,340	$4,424,188

Florida (FL)	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Top Quartile	41% (49 of 119)	$2,922,218	$2,834,316	$2,366,663	$4,642,578
2nd Quartile	49% (58 of 119)	$2,120,756	$2,106,483	$1,911,401	$2,363,515
3rd Quartile	46% (55 of 119)	$1,724,808	$1,709,556	$1,566,009	$1,905,603
4th Quartile	58% (69 of 119)	$1,283,375	$1,314,603	$402,438	$1,562,175
All (476 stores)	43% (205 of 476)	$2,012,789	$1,908,502	$402,438	$4,642,578

Gulf Coast (AL, AR, FL, LA, MS)	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Top Quartile	37% (45 of 121)	$2,660,431	$2,507,086	$2,147,115	$5,306,633
2nd Quartile	49% (59 of 120)	$1,940,594	$1,938,431	$1,768,397	$2,147,033
3rd Quartile	50% (60 of 120)	$1,583,278	$1,584,054	$1,385,555	$1,762,969
4th Quartile	61% (73 of 120)	$1,163,149	$1,223,866	$525,055	$1,382,179
All (481 stores)	45% (217 of 481)	$1,838,575	$1,768,397	$525,055	$5,306,633

Midwest (IN, KY, OH, TN)	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Top Quartile	42% (43 of 103)	$2,626,666	$2,582,607	$2,237,072	$3,534,778
2nd Quartile	50% (52 of 103)	$1,995,297	$2,005,271	$1,773,545	$2,236,396
3rd Quartile	53% (55 of 103)	$1,618,925	$1,636,977	$1,460,452	$1,773,017
4th Quartile	56% (58 of 103)	$1,178,975	$1,240,787	$435,175	$1,455,139
All (412 stores)	45% (185 of 412)	$1,854,966	$1,773,281	$435,175	$3,534,778

Great Lakes (MA, MD, ME, MI, NH, NY, OH, PA, VT, WV)	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Top Quartile	37% (43 of 117)	$2,968,636	$2,881,559	$2,422,159	$5,189,286
2nd Quartile	47% (54 of 116)	$2,173,313	$2,158,593	$1,943,877	$2,421,821
3rd Quartile	51% (59 of 116)	$1,753,568	$1,754,073	$1,560,520	$1,940,205
4th Quartile	59% (68 of 116)	$1,276,391	$1,313,024	$196,389	$1,559,590
All (465 stores)	45% (208 of 465)	$2,044,967	$1,943,877	$196,389	$5,189,286

Heartland (IA, IL, MO)	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Top Quartile	38% (35 of 92)	$2,411,581	$2,288,993	$1,933,641	$4,716,511
2nd Quartile	51% (46 of 91)	$1,705,997	$1,715,634	$1,510,802	$1,933,559
3rd Quartile	53% (48 of 91)	$1,324,113	$1,332,677	$1,130,148	$1,505,962
4th Quartile	55% (51 of 92)	$817,800	$847,841	$300,761	$1,125,794
All (366 stores)	45% (166 of 366)	$1,565,145	$1,508,382	$300,761	$4,716,511

Texas (OK, TX)	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Top Quartile	43% (70 of 161)	$2,952,892	$2,784,331	$2,272,913	$5,363,390
2nd Quartile	50% (80 of 160)	$1,975,833	$1,975,605	$1,715,444	$2,270,801
3rd Quartile	50% (80 of 160)	$1,504,081	$1,502,286	$1,288,199	$1,714,659
4th Quartile	55% (89 of 161)	$1,031,295	$1,059,636	$321,096	$1,283,282
All (642 stores)	41% (262 of 642)	$1,866,418	$1,715,052	$321,096	$5,363,390

Total Company Operated (AL, AR, AZ, CA, CO, FL, GA, IA, IL, IN, KY, LA, MA, MD, ME, MI, MO, MS, NC, NH, NM)	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Top Quartile	38% (483 of 1265)	$2,887,280	$2,731,408	$2,303,338	$6,961,470
2nd Quartile	50% (632 of 1264)	$2,044,492	$2,044,778	$1,825,360	$2,302,456
3rd Quartile	50% (630 of 1264)	$1,635,629	$1,635,075	$1,447,614	$1,824,995
4th Quartile	60% (754 of 1265)	$1,147,395	$1,201,974	$196,389	$1,447,454
Overall (5058 stores)	43% (2197 of 5058)	$1,928,734	$1,825,177	$196,389	$6,961,470

II. Other Circle K Franchised Outlets' Merchandise Sales Data.

There were 636 Other Circle K Franchised Outlets operating in the U.S. as of April 24, 2022. The information provided in this Section II represents the unaudited Merchandise Sales data for the 548 Other Circle K Franchised Outlets that were open and operating the entire 12-month period ending April 30, 2022, and for which we received complete monthly Merchandise Sales information for the entire 12-month period (the "Reporting Franchised Stores"). The Merchandise Sales information provided below does not include data from (i) 50 Other Circle K Franchised Outlets that opened during the 12-month period ended April 30, 2022 and therefore did not report data for the entire 12-month period ending April 30, 2022 and (ii) additional 38 Other Circle K Franchised Outlets that did not report to us complete Merchandise Sales data for the entire 12-month period.

62 Other Circle K Franchised Outlets were excluded from this Section II because they closed during the 12-month period ending April 24, 2022. Of the 62 businesses that closed during the 12-month, no businesses closed after being open for less than 12 months.

On average, the Reporting Franchised Stores included in this Section II have been open and operating as Circle K branded stores for seven years.

Other Circle K Franchised Outlets:

Overall - (AL, AR, CA, CT, DE, FL, GA, HI, IA, IL, IN, KY, MA, MD, MI, MN, MS, NC, NH, NJ, NV, NY, OH, OR, PA, RI, TX, VA, WA)	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for the Year Ending on 4/30/2022	Median Gross Sales for the Year Ending on 4/30/2022	Lowest Gross Sales for the Year Ending on 4/30/2022	Highest Gross Sales for the Year Ending on 4/30/2022
Top Quartile	39% (53 of 137)	$2,161,935	$1,979,052	$1,685,272	$4,001,199

2nd Quartile	47% (65 of 137)	$1,457,062	$1,451,413	$1,261,495	$1,685,221
3rd Quartile	46% (63 of 137)	$1,072,082	$1,060,227	$898,442	$1,260,353
4th Quartile	54% (74 of 137)	$675,890	$695,694	$183,524	$896,865
Overall (548 stores)	43% (238 of 548)	$1,341,742	$1,260,924	$183,524	$4,001,199

III. Merchandise Sales Data by Store Size.

As store size is critical to maximizing Merchandise Sales, the tables below illustrate the annual Merchandise Sales data for both our company-operated Circle K stores and the Other Circle K Franchised Outlets based upon square footage.

The information contained in this Section III for our company-operated Circle K stores includes the unaudited Merchandise Sales data for the 52-week period ending April 24, 2022 for the 5,058 Reporting Company Stores.

Reporting Company Stores:

Store Size - West Coast (CA, WA)	% of Stores	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Less than 1800 Square Feet	22.6%	46% (22 of 48)	$1,112,455	$1,090,535	$385,194	$2,107,891
1800-2600 Square Feet	16.5%	54% (19 of 35)	$1,765,762	$1,803,937	$1,012,935	$2,611,887
Greater than 2600 Square Feet	60.8%	43% (55 of 129)	$2,114,931	$2,012,668	$821,317	$3,730,476
All (212 stores)	100.0%	51% (108 of 212)	$1,830,309	$1,837,757	$385,194	$3,730,476

Store Size - Grand Canyon (AZ, NV)	% of Stores	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Less than 1800 Square Feet	2.2%	43% (6 of 14)	$1,877,207	$1,681,851	$1,019,425	$3,113,555
1800-2600 Square Feet	18.3%	43% (50 of 115)	$2,018,987	$1,974,485	$1,034,719	$4,136,733
Greater than 2600 Square Feet	79.4%	40% (198 of 498)	$2,527,649	$2,337,516	$885,809	$6,961,470
All (627 stores)	100.0%	40% (253 of 627)	$2,419,830	$2,243,425	$885,809	$6,961,470

Store Size - Rocky Mountain (CO, NM, TX)	% of Stores	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Less than 1800 Square Feet	34.7%	48% (50 of 105)	$1,362,748	$1,346,614	$290,616	$2,923,531
1800-2600 Square Feet	20.5%	45% (28 of 62)	$1,666,953	$1,648,585	$753,415	$2,637,140
Greater than 2600 Square Feet	44.9%	42% (57 of 136)	$2,072,282	$1,885,669	$535,680	$4,370,199
All (303 stores)	100.0%	42% (127 of 303)	$1,743,465	$1,637,405	$290,616	$4,370,199

Store Size - Southeast (GA, NC, SC)	% of Stores	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Less than 1800 Square Feet	9.2%	44% (14 of 32)	$1,423,719	$1,243,430	$613,973	$2,568,067
1800-2600 Square Feet	32.5%	42% (47 of 113)	$1,640,224	$1,538,799	$934,320	$2,907,966
Greater than 2600 Square Feet	58.3%	45% (91 of 203)	$1,996,751	$1,931,453	$775,240	$4,062,724
All (348 stores)	100.0%	47% (164 of 348)	$1,828,289	$1,787,633	$613,973	$4,062,724

Store Size - South Atlantic (FL, GA)	% of Stores	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Less than 1800 Square Feet	1.7%	17% (1 of 6)	$1,594,309	$1,429,483	$1,170,248	$2,819,085
1800-2600 Square Feet	27.0%	49% (48 of 97)	$1,693,683	$1,693,382	$796,961	$3,958,923
Greater than 2600 Square Feet	71.3%	42% (107 of 256)	$2,022,962	$1,919,826	$925,316	$4,136,532
All (359 stores)	100.0%	43% (153 of 359)	$1,926,829	$1,831,197	$796,961	$4,136,532

Store Size - Coastal Carolina (NC, SC, VA)	% of Stores	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Less than 1800 Square Feet	8.2%	47% (14 of 30)	$1,177,538	$1,149,313	$512,340	$1,800,563

1800-2600 Square Feet	28.1%	50% (52 of 103)	$1,558,602	$1,559,206	$589,580	$2,782,605
Greater than 2600 Square Feet	63.8%	45% (106 of 234)	$2,006,360	$1,918,399	$623,893	$4,424,188
All (367 stores)	100.0%	42% (154 of 367)	$1,812,944	$1,688,315	$512,340	$4,424,188

Store Size - Florida (FL)	% of Stores	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Less than 1800 Square Feet	4.4%	48% (10 of 21)	$1,325,367	$1,317,548	$402,438	$2,375,828
1800-2600 Square Feet	31.5%	49% (73 of 150)	$1,853,812	$1,829,910	$804,545	$3,364,026
Greater than 2600 Square Feet	64.1%	43% (130 of 305)	$2,138,306	$1,983,124	$720,560	$4,642,578
All (476 stores)	100.0%	43% (205 of 476)	$2,012,789	$1,908,502	$402,438	$4,642,578

Store Size - Gulf Coast (AL, AR, FL, LA, MS)	% of Stores	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Less than 1800 Square Feet	6.9%	55% (18 of 33)	$1,264,221	$1,308,431	$615,633	$2,191,846
1800-2600 Square Feet	21.8%	46% (48 of 105)	$1,548,535	$1,510,110	$525,055	$2,582,258
Greater than 2600 Square Feet	71.3%	43% (146 of 343)	$1,982,622	$1,909,008	$761,237	$5,306,633
All (481 stores)	100.0%	45% (217 of 481)	$1,838,575	$1,768,397	$525,055	$5,306,633

Store Size - Midwest (IN, KY, OH, TN)	% of Stores	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Less than 1800 Square Feet	8.3%	47% (16 of 34)	$1,397,458	$1,364,822	$664,818	$2,514,940
1800-2600 Square Feet	29.6%	46% (56 of 122)	$1,685,889	$1,656,166	$707,180	$3,387,130
Greater than 2600 Square Feet	62.1%	49% (126 of 256)	$1,996,304	$1,971,489	$435,175	$3,534,778

All (412 stores)	100.0%	45% (185 of 412)	$1,854,966	$1,773,281	$435,175	$3,534,778

Store Size - Great Lakes (MA, MD, ME, MI, NH, NY, OH, PA, VT, WV)	% of Stores	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Less than 1800 Square Feet	6.5%	43% (13 of 30)	$1,489,318	$1,413,942	$196,389	$2,854,914
1800-2600 Square Feet	25.6%	45% (54 of 119)	$1,789,597	$1,709,781	$847,423	$3,432,285
Greater than 2600 Square Feet	68.0%	44% (140 of 316)	$2,193,887	$2,086,774	$639,801	$5,189,286
All (465 stores)	100.0%	45% (208 of 465)	$2,044,967	$1,943,877	$196,389	$5,189,286

Store Size - Heartland (IA, IL, MO)	% of Stores	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Less than 1800 Square Feet	13.4%	39% (19 of 49)	$1,043,866	$886,656	$300,761	$3,548,997
1800-2600 Square Feet	25.7%	41% (39 of 94)	$1,353,096	$1,262,534	$426,153	$2,668,354
Greater than 2600 Square Feet	60.9%	44% (98 of 223)	$1,769,070	$1,685,033	$486,653	$4,716,511
All (366 stores)	100.0%	45% (166 of 366)	$1,565,145	$1,508,382	$300,761	$4,716,511

Store Size - Texas (OK, TX)	% of Stores	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Less than 1800 Square Feet	20.2%	45% (59 of 130)	$1,195,423	$1,151,127	$584,723	$2,182,697
1800-2600 Square Feet	18.7%	44% (53 of 120)	$1,510,761	$1,456,155	$321,096	$3,294,078
Greater than 2600 Square Feet	61.1%	42% (166 of 392)	$2,197,816	$2,085,825	$647,055	$5,363,390
All (642 stores)	100.0%	41% (262 of 642)	$1,866,418	$1,715,052	$321,096	$5,363,390

Store Size - Total Company Operated	% of Stores	Percentage (and No.) of Stores at or Above Average	Average Gross Sales for 52-week Period Ending 4/24/2022	Median Gross Sales for the Year Ending on 4/24/2022	Lowest Gross Sales for the Year Ending on 4/24/2022	Highest Gross Sales for the Year Ending on 4/24/2022
Less than 1800 Square Feet	10.5%	46% (244 of 532)	$1,281,048	$1,242,756	$196,389	$3,548,997
1800-2600 Square Feet	24.4%	46% (569 of 1235)	$1,680,401	$1,633,834	$321,096	$4,136,733
Greater than 2600 Square Feet	65.1%	43% (1411 of 3291)	$2,126,625	$2,009,878	$435,175	$6,961,470
Overall (5058 stores)	100.0%	43% (2197 of 5058)	$1,928,734	$1,825,177	$196,389	$6,961,470

The information contained in this Section III for the Other Circle K Franchised Outlets includes the unaudited Merchandise Sales data for the 12-month period ending April 30, 2022 for the 548 Reporting Franchised Stores.

Reporting Franchised Stores:

Store Size - Franchised Stores (AL, AR, CA, CT, DE, FL, GA, HI, IA, IL, IN, KY, MA, MD, MI, MN, MS, NC, NH, NJ, NV, NY, OH, OR, PA, RI, TX, VA, WA)	Percentage (and No.) of Stores at or Above Average	% of Stores	Average Gross Sales for the Year Ending on 4/30/2022	Median Gross Sales for the Year Ending on 4/30/2022	Lowest Gross Sales for the Year Ending on 4/30/2022	Highest Gross Sales for the Year Ending on 4/30/2022
Less than 1800 Square Feet	41% (34 of 82)	15%	$968,249	$886,736	$192,488	$2,126,017
1800-2600 Square Feet	44% (97 of 222)	41%	$1,261,406	$1,158,728	$183,524	$2,841,077
Greater than 2600 Square Feet	45% (109 of 244)	45%	$1,540,354	$1,451,744	$388,705	$4,001,199
Overall (548 stores)	43% (238 of 548)	100%	$1,341,742	$1,260,924	$183,524	$4,001,199

IV. Annual Merchandise Sales Data and Sales Growth.

There were 189 Other Circle K Franchised Outlets that opened on or after January 1, 2015, and that were operating for a minimum of 36 months as of April 30, 2022. The following table illustrates the annual Merchandise Sales data and the related sales growth for these locations during their first, second and third years in operation.

	Year 1	Year 2	Year 3
Average/Median Merchandise Sales	$971,458 / $922,965	$1,113,978 / $1,029,761	$1,182,261 / $1,125,111
Lowest Merchandise Sales	$166,724	$187,356	$185,173
Highest Merchandise Sales	$2,287,211	$2,735,569	$2,910,340
Average Sales Growth % Over Prior Year	n/a	14.7%	6.1%
Median Sales Growth % Over Prior Year	n/a	11.6%	9.3%
Highest Sales Growth %	n/a	59.3%	43.7%
Lowest Sales Growth %	n/a	-18.8%	-26.1%
% (and #) of Stores Achieving Average Sales Growth	n/a	47% (89 out of 189)	50% (95 out of 189)

V. Conversion Stores Merchandise Sales Data and Sales Growth.

There were 116 convenience stores that converted, on or after January 1, 2014, to the Circle K brand from another existing convenience store (and thus became Other Circle K Franchised Outlets) and that had at least 12 months of sales history as of April 30, 2022. The table below illustrates the average/median monthly Merchandise Sales and their sales growth achieved in the first 12 months of operations following their conversion to Circle K.

Average/Median Monthly Merchandise Sales Prior To Conversion	$82,882 / $75,983
Lowest Monthly Merchandise Sales Prior To Conversion	$29,964
Highest Monthly Merchandise Sales Prior To Conversion	$194,997
Average/Median Monthly Merchandise Sales During 1st 12 Months After Conversion	$95,778 / $87,549
Lowest Monthly Merchandise Sales During 1st 12 Months After Conversion	$30,813
Highest Monthly Merchandise Sales During 1st 12 Months After Conversion	$287,187
Average Percentage Sales Growth	15.56%
Median Percentage Sales Growth	14.30%
Highest Percentage Sales Growth	120.53%
Lowest Percentage Sales Growth	-45.33%
Percentage (and number) of Stores Achieving Average Percentage Sales Growth	48% (56 out of 116)

Of these 116 converted Other Circle K Franchised Outlets, 100 stores had at least 24 months of sales history as of April 30, 2022. The table below illustrates the average/median monthly sales and their sales growth achieved in their second 12 months of operations following their conversion to Circle K.

Average/Median Monthly Merchandise Sales Prior To Conversion	$91,777 / $86,182
Lowest Monthly Merchandise Sales Prior To Conversion	$30,813
Highest Monthly Merchandise Sales Prior To Conversion	$178,560
Average/Median Monthly Merchandise Sales During 2nd 12 Months After Conversion	$103,577 / $98,680
Lowest Monthly Merchandise Sales During 2nd 12 Months After Conversion	$31,705
Highest Monthly Merchandise Sales During 2nd 12 Months After Conversion	$214,913
Average Percentage Sales Growth in Year 2	12.86%
Median Percentage Sales Growth in Year 2	11.34%
Highest Percentage Sales Growth in Year 2	59.25%
Lowest Percentage Sales Growth in Year 2	-18.81%
Percentage (and number) of Stores Achieving Average Percentage Sales Growth in Year 2	48% (48 out of 100)

VI. Other Circle K Franchised Outlets Rebates Data.

As a Circle K franchisee, you will have access to various supplier agreements that Circle K company-operated stores utilize. In addition to preferred pricing that is negotiated on your behalf to receive off invoice discounts, many supplier agreements contain rebates based on the products purchased. In order to receive such rebates, you must comply with the requirements of those supplier agreements.

The table below illustrates the level of rebates the Other Circle K Franchised Outlets (that were in operation the entire 12-month period ending April 30, 2022) qualified for, earned and were paid during the 12-month period ending April 30, 2022, and for whom we manage the rebate process. We manage the rebate process for a total of 544 Other Circle K Franchised Outlets. These amounts exclude all rebates the Other Circle K Franchised Outlets earned based on cigarette purchases, since those payments are made directly to the Other Circle K Franchised Outlets and are not managed by us.

All States *(AL AR, CA, CT, DE, FL, GA, IA, IL, IN, KY, MA, MD, MI, MN, MS, NC, NH, NJ, NV, NY, OH, OR, PA, RI, TX, VA, WA)*	Percentage (and number) of Stores within the group at or Above Average	Average Rebates for 12-Month Period Ending 4/30/22	Median Rebates for 12-Month Period Ending 4/30/22	Lowest Rebates for 12-Month Period Ending 4/30/22	Highest Rebates for 12-Month Period Ending 4/30/22
Top Quartile	43% (58 out of 136)	$36,388	$34,958	$27,117	$63,983
2nd Quartile	44% (60 out of 136)	$22,237	$22,000	$18,378	$27,106

3rd Quartile	47% (64 out of 136)	$15,389	$15,305	$12,802	$18,235
4th Quartile	55% (75 out of 136)	$9,224	$9,598	$2,584	$12,763
All (552 stores)	41% (221 out of 544)	$20,810	$18,378	$2,584	$63,983

The table below sets forth the level of rebates, as a percentage of Merchandise Sales, which the Other Circle K Franchised Outlets (that were in operation the entire 12-month period ending April 30, 2022 and for which we manage the rebate process) qualified for, earned and were paid during the 12-month period ending April 30, 2022. These percentages exclude the value that is derived from the preferred pricing that is negotiated on franchisees' behalf to receive off-invoice discounts, as well as all rebates the Other Circle K Franchised Outlets earned based on cigarette purchases, since those payments are made directly to the Other Circle K Franchised Outlets and are not managed by us.

Quartile *(AL, AR, CA, CT, DE, FL, GA, IL, IN, KY, MA, MD, MI, MN, MS, NH, NJ, NV, NY, OH, OR, PA, RI, TX, VA, WA)*	Percentage (and number) of Stores within the group at or above Average	Average Rebates as a % of Gross Sales for 12-Month Period Ending 4/30/22	Median Rebates as a % of Gross Sales for 12-Month Period Ending 4/30/22	Lowest Rebates as a % of Sales for 12-Month Period Ending 4/30/22	Highest Rebates as a % for 12-Month Period Ending 4/30/22
Top Quartile	42% (57 out of 136)	2.45%	2.34%	2.03%	4.48%
2nd Quartile	49% (67 out of 136)	1.75%	1.74%	1.52%	2.02%
3rd Quartile	52% (71 out of 136)	1.33%	1.34%	1.13%	1.52%
4th Quartile	61% (83 out of 136)	0.90%	0.94%	0.30%	1.13%
All (552 stores)	48% (261 out of 544)	1.55%	1.52%	0.30%	4.48%

Additional Notes:

The information contained in this Item 19 relating to our company-operated Circle K stores is provided by our own internal accounting of company-operated Circle K stores. The information relating to the Other Circle K Franchised Outlets is based solely on the monthly sales reports provided to us by the Other Circle K Franchised Outlets in the ordinary course of business. None of this information has been audited.

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you'll sell as much. Many factors, including existing merchandise sales (for a c-store conversion), location, physical size and layout, management capabilities, ability to obtain a beer and wine license, local market conditions, and other factors, are unique to each Circle K business and may significantly impact the

financial performance of the Circle K Business. The most important factors in the success of any Circle K business, including the one to be operated by you, are your personal, business, marketing, management, judgment and your willingness to work hard and follow the Business System.

The above financial performance representations do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales/merchandise sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Circle K Business. Franchisees or former franchisees listed in this Disclosure Document may be one source of this information.

You are responsible for developing your own business plan for your Circle K Business, including capital budgets, financial statements, projections and other elements appropriate to your particular circumstances. TMC encourages you to consult with your own accounting, business, and legal advisors in doing so. In developing the business plan, you will need to make necessary allowances for changes in financial results to income, expenses, or both, that may result from operation of your Circle K Business in an unusual location, in different geographic areas or new market areas, of an unusual size, decor or arrangement, or during periods of or in areas suffering from economic downturns, inflation, unemployment, or other negative economic influences.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Mitch Filiere, at 1130 West Warner Road, Tempe, AZ 85284; telephone number 602-728-3958, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary
For Years 2020 to 2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised Outlets**	2020	0	0	0
	2021	0	1	+1
	2022	1	4	+3
Company-Owned***	2020	4859	5032	+173
	2021	5032	5260	+228
	2022	5260	5097	-163
Total Outlets	2020	4859	5032	+173
	2021	5032	5261	+229
	2022	5261	5101	-160

*These Company-Owned Outlets are also referenced in item 20 of the separate franchise disclosure document pursuant to which we offer the franchise for the Other Circle K Franchised Outlets because such company-owned outlets operate under substantially similar operating systems and standards. These Company-Owned Outlets are Circle K branded convenience stores with a motor fuel business that may or may not be a Circle K branded motor fuel business.

Table No. 2

Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor or an Affiliate) For Years 2020 to 2022

State	Year	Number of Transfers
All states	2020	0
	2021	0
	2022	0
Total	2020	0
	2021	0
	2022	0

Table No. 3

Status of Franchised Outlets For Years 2020 to 2022

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
California	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Nevada	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	1	0	0	0	0	2
Texas	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Total	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	3	0	0	0	0	4

Table No. 4

Status of Company-Owned Outlets*
For Years 2020 to 2022

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	2020	163	0	0	6	0	157
	2021	157	12	0	11	0	158
	2022	158	11	0	4	0	165
Arizona	2020	515	55	0	2	0	568
	2021	568	12	0	10	0	570
	2022	570	7	0	9	0	568
Arkansas	2020	27	0	0	12	0	15
	2021	15	0	0	0	0	15
	2022	15	0	0	0	0	15
California	2020	151	9	0	0	0	160
	2021	160	8	0	3	0	165
	2022	165	6	0	2	0	169
Colorado	2020	150	18	0	0	0	168
	2021	168	19	0	6	0	181
	2022	181	0	0	3	0	178
Florida	2020	725	0	0	14	0	711
	2021	711	31	0	0	0	742
	2022	742	1	0	34	0	709
Georgia	2020	173	3	0	0	0	176
	2021	176	129	0	2	0	303
	2022	303	2	0	12	0	293
Illinois	2020	322	0	0	1	0	321
	2021	321	0	0	9	0	312
	2022	312	0	0	10	0	302
Indiana	2020	171	0	0	4	0	167
	2021	167	7	0	2	0	172
	2022	172	0	0	9	0	163
Iowa	2020	5	0	0	0	0	5
	2021	5	0	0	0	0	5
	2022	5	0	0	0	0	5
Kansas	2020	19	0	0	19	0	0
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Kentucky	2020	90	0	0	0	0	90
	2021	90	0	0	1	0	89
	2022	89	3	0	2	0	90
Louisiana	2020	239	0	0	9	0	230
	2021	230	0	0	14	0	216
	2022	216	4	0	25	0	195
Maine	2020	87	0	0	0	0	87
	2021	87	0	0	0	0	87
	2022	87	0	0	0	0	87

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
Maryland	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	02
Massachusetts	2020	13	0	0	0	0	13
	2021	13	0	0	0	0	13
	2022	13	0	0	0	0	13
Michigan	2020	15	2	0	0	0	17
	2021	17	3	0	3	0	17
	2022	17	1	0	0	0	18
Mississippi	2020	75	18	0	0	0	93
	2021	93	0	0	1	0	92
	2022	92	0	0	4	0	88
Missouri	2020	67	0	0	4	0	63
	2021	63	0	0	1	0	62
	2022	62	0	0	1	0	61
Nevada	2020	31	2	0	0	0	33
	2021	33	1	0	0	0	34
	2022	34	1	0	0	0	35
New Hampshire	2020	55	1	0	0	0	56
	2021	56	1	0	0	0	57
	2022	57	1	0	0	0	58
New Mexico	2020	79	0	0	4	0	75
	2021	75	4	0	2	0	77
	2022	77	14	0	1	0	90
New York	2020	30	0	0	4	0	26
	2021	26	0	0	0	0	26
	2022	26	0	0	0	0	26
North Carolina	2020	301	51	0	5	0	347
	2021	347	21	0	2	0	366
	2022	366	4	0	22	0	348
Ohio	2020	231	9	0	0	0	240
	2021	240	2	0	0	0	242
	2022	242	4	0	4	0	242
Oklahoma	2020	61	0	0	14	0	47
	2021	47	0	0	0	0	47
	2022	47	0	0	47	0	0
Oregon	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	19	0	0	0	19
Pennsylvania	2020	5	0	0	0	0	5
	2021	5	0	0	0	0	5
	2022	5	0	0	0	0	5
South Carolina	2020	205	59	0	10	0	254
	2021	254	23	0	4	0	273
	2022	273	0	0	21	0	252
Tennessee	2020	108	0	0	0	0	108
	2021	108	0	0	1	0	107
	2022	107	0	0	4	0	103

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
Texas	2020	674	51	0	0	0	725
	2021	725	34	0	8	0	751
	2022	751	5	0	45	0	711
Vermont	2020	4	2	0	0	0	6
	2021	6	0	0	0	0	6
	2022	6	0	0	0	0	6
Virginia	2020	25	0	0	0	0	25
	2021	25	0	0	0	0	25
	2022	25	0	0	2	0	23
Washington	2020	25	1	0	0	0	26
	2021	26	1	0	0	0	27
	2022	27	16	0	0	0	43
West Virginia	2020	16	0	0	0	0	16
	2021	16	0	0	0	0	16
	2022	16	0	0	1	0	15
Total	2020	4859	281	0	108	0	5032
	2021	5032	308	0	80	0	5260
	2022	5260	99	0	262	0	5097

* These Company-Owned Outlets are also referenced in item 20 of the separate franchise disclosure document pursuant to which we offer the franchise for the Other Circle K Franchised Outlets because such company-owned outlets operate under substantially similar operating systems and standards. Outlets in this Table No. 4 refer to Circle K convenience stores with a motor fuel business that may or may not be a Circle K branded motor fuel business.

Table No. 5

Projected Openings as of April 24, 2022

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year*
Alabama	0	0	8
Arizona	0	1	13
California	10	8	2
Colorado	1	2	8
Florida	1	1	26
Georgia	0	0	1
Illinois	0	0	12
Indiana	0	0	1
Kentucky	0	0	1
Massachusetts	0	0	2
Missouri	0	0	1
New Hampshire	0	0	1
New Mexico	2	2	7
Nevada	5	3	1

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year*
North Carolina	2	2	0
Ohio	0	0	1
Tennessee	0	0	1
Texas	1	1	10
TOTAL	22	20	96

*These Company-Owned Outlets are also referenced in item 20 of the separate franchise disclosure document pursuant to which we offer the franchise for the Other Circle K Franchised Outlets because such company-owned outlets operate under substantially similar operating systems and standards. These Company-Owned Outlets refer to Circle K convenience stores with a motor fuel business that may or may not be a Circle K branded motor fuel business.

The names, addresses and telephone numbers of each franchisee, area developer and multi-site operator operating under a Circle K agreement as of April 24, 2022 is set forth in the first table of Exhibit A. The second table of Exhibit A lists the franchisees, area developers and multi-site operators who have signed a Circle K agreement that were not yet operational at April 24, 2022. The third table sets forth the Circle K franchisees, area developers and multi-site operators who have had a franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a Circle K agreement during the twelve-month period ending April 24, 2022 (fiscal year-end) or who have not communicated with us within the last ten weeks.

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

During the last three fiscal years, we have not signed confidentiality clauses with current or former franchisees. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Circle K franchise system. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

In April 2016, TMC created its Franchise Advisory Council. It does not maintain a separate address, email address or other contact information. We are not aware of any other trademark-specific franchisee organization associated with the Circle K franchise that is required to be included in this disclosure document.

ITEM 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit B are our audited consolidated financial statements which comprise the consolidated balance sheets as of April 24, 2022 and April 25, 2021, and the related consolidated statements of income and comprehensive income, changes in shareholder's equity, and cash flows for the periods ended April 24, 2022, April 25, 2021, and April 26, 2020.

ITEM 22
CONTRACTS

A copy of the proposed form of Franchise Agreement together with all exhibits is attached to this Disclosure Document as Exhibit F. A copy of a Renewal Addendum is included as Exhibit J. A copy of the Motor Fuel Agreement is attached to this Disclosure Document as Exhibit G. The actual terms and conditions of your Franchise Agreement and Motor Fuel Agreement are subject to negotiation, and may, in certain circumstances, vary from the terms contained in the Franchise Agreement and Motor Fuel Agreement included in this Disclosure Document. We urge you to carefully review the specific terms of your individual Motor Fuel Agreement and Franchise Agreement with your own legal or personal advisor. In addition, you should also review the Funding Agreement found in Exhibit 4 to the Franchise Agreement, the Credit Network Agreement (attached as Exhibit 7 to the Franchise Agreement), and the state-specific addenda found in Exhibit K.

ITEM 23
RECEIPTS

You will find two Receipt pages at the end of this Disclosure Document under the tab marked "Receipts". You must sign and date both copies of the Receipt. Please retain the copy titled "Prospective Franchisee Copy" for your records and return the copy titled "TMC Franchise Corporation Copy" as directed by your TMC Franchise Corporation representative.

EXHIBIT A

List of Franchised Outlets

Store #	Franchisee Name	Store Address	City	State	Zip	Phone
2622015	Chandi Empire Inc	81965 Indio Boulevard	Indio	CA	92201	(760) 396-9260
2622001	Bouquet Inc	3225 W Cactus Avenue	Las Vegas	NV	89141	(702) 306-7872
2622006	Pahrump Investment LLC	40 E Basin Avenue	Pahrump	NV	89060	(702) 845-9667
2622022	CK North Texas D LLC	600 N Stemmons Freeway	Lake Dallas	TX	75065	(214) 319-9100

Franchise Agreements Signed But Outlet Not Open

Store #	Franchisee Name	Store Address	City	St	Zip	Phone
2622014	Chandi Empire Inc.	SEC Santa Ana Ave & Cedar Avenue	Bloomington	California	92316	(760) 396-9260
2622020	Chandi Empire Inc.	SWC Corner Santa Ana Ave & Cedar Avenue	Bloomington	California	92316	(760) 396-9260
2652011	Chandi Empire Inc.	SWC Van Buren & Avenue 50	Coachella	California	92336	(760) 396-9260
2622017	Sunny & Karan LLC	SWC Jefferson St. & Varner Road	Indio	California	92203	(760) 625-3703
2652007	Moreno Valley Investments LLC	SEC Sunnymead Blvd. & Graham St.	Moreno Valley	California	92553	(714) 925-6518
2622023	Oakdale Fuel Enterprise	1013 S Yosemite Ave	Oakdale	California	95361	(209) 505-6000
2652008	Perris Investment Group	NWC Highway 74 & Navajo Rd.	Perris	California	92570	(714) 925-6518
2622027	Mill Star Station LLC	895 W Mill Street	San Bernardino	California	92410	(951) 850-0271
2622013	Petrosona Corp	2140 E Prosperity Avenue	Tulare	California	93274	(760) 396-9260
2652009	Fred Bahari	SEC Avenue L & 40th Street	W Lancaster	California	93536	(323) 855-1881
2622028	Hunjan Gas Stations LLC	11890 Stapleton Drive	Peyton	Colorado	80831	(719) 237-4927
2622030	Kwik Way, Inc	2762 Racetrack Rd	St John's	Florida	32259	(904) 992-9193
2652005	MFE, Inc.	NEC Wagon Wheel & Old Vegas Trail	Henderson	Nevada	89002	(702) 306-7872
2652002	Bouquet Inc.	NEC Windmill Ave & Bermuda	Las Vegas	Nevada	89023	(702) 306-7872
2652003	MFE, Inc.	NEC Blue Diamond Road & Rainbow Blvd	Las Vegas	Nevada	89139	(702) 306-7872
2652004	MFE, Inc.	6147 W Cactus Avenue	Las Vegas	Nevada	89141	(702) 306-7872
2652012	Gamebird Investment LLC	2980 E Gamebird Road	Pahrump	Nevada	89048	(702) 845-9667
2622024	Unity Fuel Inc.	6300 Central Ave SE	Albuquerque	New Mexico	87108	(702) 595-3593
2622025	Southwest Fuel Inc.	8601 Central Ave. SE	Albuquerque	New Mexico	87108	(702) 595-3593
2622018	TA&S Enterprises of NC, Inc	5330 Statesville Rd	Charlotte	North Carolina	28269	(704) 232-3600
2622019	TA&S Enterprises of NC, Inc	8900 Beatties Ford Rd	Huntersville	North Carolina	28078	(704) 232-3600
2622029	CK North Texas D, LLC	11050 Potranco Road	San Antonio	Texas	78251	(214) 319-9100

Franchisees that Left the System During Last Fiscal Year

None.

EXHIBIT B

Consolidated Financial Statements

TMC FRANCHISE CORPORATION

(a wholly owned subsidiary of Circle K Stores Inc.)

CONSOLIDATED FINANCIAL STATEMENTS

AS OF APRIL 24, 2022 AND APRIL 25, 2021,

AND FOR THE YEARS ENDED APRIL 24, 2022, APRIL 25, 2021 AND APRIL 26, 2020

Report of Independent Auditors

To the Board of Directors and Shareholder of TMC Franchise Corporation

Opinion
We have audited the accompanying consolidated financial statements of TMC Franchise Corporation and its subsidiary (the "Company"), which comprise the consolidated balance sheets as of April 24, 2022 and April 25, 2021, and the related consolidated statements of income and comprehensive income, changes in shareholder's equity and cash flows for the years ended April 24, 2022, April 25, 2021, and April 26, 2020, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of April 24, 2022 and April 25, 2021, and the results of its operations and its cash flows for the years ended April 24, 2022, April 25, 2021, and April 26, 2020 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 the consolidated financial statements are available to be issued.

PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l.
1250 René-Lévesque Boulevard West, Suite 2500, Montréal, Quebec, Canada H3B 4Y1
T: +1 514 205 5000, F: +1 514 876 1502

"PwC" refers to PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l., an Ontario limited liability partnership.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 US 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 consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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.

PricewaterhouseCoopers LLP[1]

Montréal, Quebec
July 1, 2022

[1] CPA auditor, public accountancy permit No. A123475

TMC FRANCHISE CORPORATION
(a wholly owned subsidiary of Circle K Stores Inc.)
CONSOLIDATED BALANCE SHEETS

	April 24, 2022	April 25, 2021
ASSETS		
Cash	$ -	$ -
Royalty and other receivables	14,511,045	10,666,417
Deferred income taxes (Note 3)	3,958,700	4,240,617
Current portion of notes receivable from franchisees (Note 4)	6,858	22,227
Total Current Assets	18,476,603	14,929,261
Property and equipment, net (Note 5)	21,703,507	24,985,352
Intangible assets, net (Note 6)	24,149,802	28,315,315
Long-term portion of notes receivable from franchisees (Note 4)	1,791	8,644
Note receivable from parent company (Note 9)	5,000,000	5,000,000
Other assets (net of a provision for doubtful accounts of $20,814 and $20,814 as at April 24, 2022, and April 25, 2021 (Note 7)	6,498,630	4,322,623
Goodwill	11,490,467	11,490,467
Total Assets	$ 87,320,800	$ 89,051,662
LIABILITIES AND SHAREHOLDER'S EQUITY		
Accounts payable and accrued liabilities (Note 8)	$ 28,272,416	$ 21,620,863
Payable to affiliate	1,146,131	790,375
Deferred revenue	1,306,549	1,293,461
Total Current Liabilities	30,725,096	23,704,699
Deferred revenue	9,504,518	10,383,913
Deferred income taxes (Note 3)	4,541,087	5,027,441
Total Liabilities	44,770,701	39,116,053
Shareholder's Equity:		
Common stock, $0.01 par value, 1,000,000 shares authorized, 1,001 issued and outstanding	10	10
Additional paid-in capital	88,201,000	88,201,000
Receivable from parent	(78,691,712)	(68,478,251)
Retained earnings	33,040,801	30,212,850
Total Shareholder's Equity	42,550,099	49,935,609
	$ 87,320,800	$ 89,051,662

The accompanying notes are an integral part of these consolidated financial statements.

TMC FRANCHISE CORPORATION
(a wholly owned subsidiary of Circle K Stores Inc.)
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

	Year Ended April 24, 2022	Year Ended April 25, 2021	Year Ended April 26, 2020
Revenues:			
Initial franchise sales	$ 1,318,124	$ 1,072,868	$ 1,314,134
Royalty and promotional fees	57,637,468	54,267,283	44,655,551
Fuel sales, net	1,643,159	762,904	1,082,545
Interest and other income	3,703,525	2,331,102	2,970,800
Total Revenues	64,302,276	58,434,157	50,023,030
Expenses:			
Selling, general, and administrative expenses	29,825,658	27,007,513	25,046,447
Trademark expense	449,374	418,864	860,283
Depreciation and amortization expense	8,548,949	8,114,231	8,216,525
Total Expenses	38,823,981	35,540,608	34,123,255
Loss on Disposals and Terminations	(8,609)	(30,393)	(86,225)
Income before income taxes	25,469,686	22,863,156	15,813,550
Provision for income taxes	6,141,735	4,315,450	3,222,056
Net Income and Comprehensive Income	$ 19,327,951	$ 18,547,706	$ 12,591,494

The accompanying notes are an integral part of these consolidated financial statements.

TMC FRANCHISE CORPORATION
(a wholly owned subsidiary of Circle K Stores Inc.)
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY

	Common Stock		Additional	Receivable from	Retained	
	Shares	Amount	Paid-in Capital	Parent	Earnings	Total
April 28, 2019	1,001	$ 10	$ 88,150,998	$ (46,976,613)	$ 24,569,726	$ 65,744,121
Net income and comprehensive income	-	$ -	$ -	$ -	$ 12,591,494	$ 12,591,494
Impact on adoption of new accounting standard (Note 1)	-	$ -	$ -	$ -	$ 5,213	$ 5,213
Stock option exercise	-	$ -	$ 48,713	$ -	$ -	$ 48,713
Net advances to parent	-	$ -	$ -	$ (16,858,798)	$ -	$ (16,858,798)
Dividends	-	$ -	$ -	$ 13,000,000	$ (13,000,000)	$ -
April 26, 2020	1,001	$ 10	$ 88,199,711	$ (50,835,411)	$ 24,166,433	$ 61,530,743
Net income and comprehensive income	-	$ -	$ -	$ -	$ 18,547,706	$ 18,547,706
Stock option exercise	-	$ -	$ 1,289	$ -	$ (1,289)	$ -
Net advances to parent	-	$ -	$ -	$ (30,142,840)	$ -	$ (30,142,840)
Dividends	-	$ -	$ -	$ 12,500,000	$ (12,500,000)	$ -
April 25, 2021	1,001	$ 10	$ 88,201,000	$ (68,478,251)	$ 30,212,850	$ 49,935,609
Net income and comprehensive income	-	$ -	$ -	$ -	$ 19,327,951	$ 19,327,951
Net advances to parent	-	$ -	$ -	$ (26,713,461)	$ -	$ (26,713,461)
Dividends	-	$ -	$ -	$ 16,500,000	$ (16,500,000)	$ -
April 24, 2022	1,001	$ 10	$ 88,201,000	$ (78,691,712)	$ 33,040,801	$ 42,550,099

The accompanying notes are an integral part of these consolidated financial statements.

TMC FRANCHISE CORPORATION
(a wholly owned subsidiary of Circle K Stores Inc.)
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended April 24, 2022	Year Ended April 25, 2021	Year Ended April 26, 2020
Cash Flows from Operating Activities:			
Net income and comprehensive income	$ 19,327,951	$ 18,547,706	$ 12,591,494
Adjustments to reconcile net income and comprehensive income to net cash provided by operating activities:			
Depreciation and amortization expense	8,548,949	8,114,231	8,216,525
Loss on disposal of property and equipment	8,609	30,393	86,225
Provision for losses on notes receivable from franchisees and other assets	-	(25,186)	(46,000)
Provision for losses on royalty and other receivables	-	-	208,028
Amortization of notes receivable from franchisees and of other assets	1,342,928	1,021,383	938,841
Change in royalty and other receivables	(3,844,628)	(2,978,403)	(2,803,460)
Change in current liabilities	7,002,805	7,073,182	(3,135,911)
Change in deferred income taxes	(204,437)	(2,880,524)	1,217,557
Change in deferred revenue	(866,307)	7,186,326	413,130
Net Cash Provided by Operating Activities	31,315,870	36,089,108	17,686,429
Cash Flows from Investing Activities:			
Purchase of property and equipment and intangibles	(1,501,235)	(3,427,678)	(6,837,254)
Proceeds on disposal of property and equipment	540,229	287,981	2,905,629
Payments of notes receivable from franchisees	-	-	29,615
Purchase of other assets (Note 7)	(3,543,938)	(2,889,509)	(702,224)
Payments of other assets from franchisees	47,225	78,704	124,920
Net Cash Used for Investing Activities	(4,457,719)	(5,950,502)	(4,479,314)
Cash Flows from Financing Activities:			
Dividends paid	-	(1,500,000)	(3,000,000)
Net advances to parent	(26,858,151)	(28,638,606)	(10,207,115)
Net Cash Used for Financing Activities	(26,858,151)	(30,138,606)	(13,207,115)
Net Change in Cash	-	-	-
Cash at Beginning of Period	-	-	-
Cash at End of Period	$ -	$ -	$ -
Non-cash investing and financing activities:			
Transfer of property and equipment through payable to parent	$ 144,690	$ 56,172	$ 58,602
Transfer of intangible through payable to parent	-	-	3,554,368
Payment of dividends through reduction of receivable from parent	16,500,000	11,000,000	10,000,000
Supplemental Information:			
Income taxes paid	$ 339,000	$ 163,982	$ 435,313

The accompanying notes are an integral part of these consolidated financial statements.

TMC FRANCHISE CORPORATION
(a wholly owned subsidiary of Circle K Stores Inc.)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF APRIL 24, 2022 AND APRIL 25, 2021 AND
FOR THE YEARS ENDED
APRIL 24, 2022, APRIL 25, 2021, AND APRIL 26, 2020

1. Organization and Significant Accounting Policies

Organization
TMC Franchise Corporation (the "Company"), incorporated in the State of Arizona on February 7, 1995, is a franchisor of convenience stores. The Company is a wholly owned subsidiary of Circle K Stores Inc. ("Circle K Stores"), which is a wholly owned subsidiary of Circle K Delaware Inc., which is a wholly owned subsidiary of The Circle K Corporation ("Circle K Corp"). Circle K Corp is a wholly owned subsidiary of Couche-Tard U.S. Inc. ("CTUS Inc"), which is a wholly owned subsidiary of Mac's Convenience Stores, Inc., which is a wholly owned subsidiary of Couche-Tard Inc. Couche-Tard Inc. is a wholly owned subsidiary of Depan-Escompte Couche-Tard Inc. which is wholly owned by the ultimate parent, Alimentation Couche-Tard, Inc. ("Couche-Tard").

Basis of Consolidated Financial Statements
These consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States ("US GAAP") on the historical cost basis of accounting and include the accounts of the Company and its wholly owned subsidiary *Holiday Diversified Services, LLC*. Certain selling, general and administrative ("SG&A") services are provided to the Company by Couche-Tard or Circle K Stores and their affiliates. Certain other SG&A services are allocated to the Company based on usage, actual costs, or other allocation methods considered reasonable by Couche-Tard or Circle K management (note 9). Accordingly, the expenses included in these consolidated financial statements may not be indicative of the level of expenses which might have been incurred had the Company been operating as a separate stand-alone company.

Year-End Date
The Company's year-end is the last Sunday of April of each year. The years ended April 24, 2022, April 25, 2021 and April 26, 2020 are referred to herein as 2022, 2021 and 2020.

Adoption of New Accounting Standards
On the first day of 2020, the Company adopted ASC 842 for leases. Under the FASB model, a lessee should classify a lease based on whether the arrangement is effectively a purchase of the underlying asset. Leases that transfer control of the underlying asset to a lessee are classified as finance leases (and as a sales-type lease for the lessor); lessees will classify all other leases as operating leases. In an operating lease, a lessee obtains control of only the use of the underlying asset, but not the underlying asset itself. Upon adoption of ASC 842, as the master fleet agreement between the Company and the fleet manager is renewed on a year-to-year basis, the Company elected to use the short-term lease exemption under ASC 842-20-25-2 and has therefore removed its capital leases from the balance sheet. The Company adopted ASC 842 using the modified retrospective approach and starting in 2020, only the single lease expense is recorded in the consolidated net income. The net effect of this change was $5,213 to retained earnings.

Use of Estimates
The preparation of consolidated financial statements in conformity with generally accepted accounting principles 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 revenues and expenses during the reporting period. The more significant areas requiring the use of management estimates include receivable valuation, deferred revenue and revenue recognition, asset useful lives for depreciation and amortization, and deferred income taxes. Actual results could differ from those estimates.

Revenue Recognition
Revenues consist of initial franchise sales, royalty and promotional fees, fuel sales, net, and interest and other income. Initial franchise sales are recognized when all material services and conditions relating to the sale have been substantially completed. Royalty and promotional fees are received subsequent to the period earned and are accrued based on management estimates. Royalty fees are calculated as a contractual percentage of merchandise gross sales and fuel gallons sold. Promotional fees are calculated as a contractual percentage of merchandise gross sales. Fuel sales, net are recognized at the time of delivery and are presented on a net basis as the Company acts as an agent for Circle K Stores. Interest and other income is recognized when earned, as defined by the underlying notes. Revenue is recognized only when collection is reasonably assured.

Income Taxes
The Company is included in the consolidated federal income tax returns of CTUS Inc. The income tax expense or benefit is computed based on income before income taxes reported in these consolidated financial statements as if the Company was a separate taxpayer, with the resulting current taxes payable or receivable included in Receivable from parent on the balance sheet within shareholder's equity.

The Company uses the asset and liability method to account for income taxes. Under this method, deferred income tax assets and liabilities are determined based on differences between the carrying amounts and tax bases of assets and liabilities using enacted tax rates and laws, as appropriate, at the date of the consolidated financial statements for the years in which the temporary differences are expected to reverse.

Property and Equipment
Property and equipment is carried at cost, less accumulated depreciation. Depreciation is provided over the estimated useful lives of the respective classes of assets using the straight-line method. Leasehold improvements, equipment, and signs are depreciated over a period of three to ten years. Expenditures that materially increase values, change capacities or extend useful lives are capitalized. Routine maintenance and repairs are expensed. Gains and losses on disposal of assets are reflected in results of operations.

Property and equipment are tested for impairment should events or circumstances indicate that their book value may not be recoverable, as measured by comparing their net book value to the estimated undiscounted future cash flows generated by their use and eventual disposal. Should the carrying amount of long-lived assets exceed their fair value, an impairment loss in the amount of the excess would be recognized.

Other Assets
Deferred construction allowances are amortized on a straight-line basis over a period of up to ten years. Deferred incentive payments are amortized in accordance with the amortization schedules included in the corresponding incentive agreements.

Intangible Assets
Intangible assets mainly comprise a tradename and franchise contracts. The tradename has an indefinite life, is recorded at cost, is not amortized and is tested for impairment annually, or more frequently should events or changes in circumstances indicate that it might be impaired. Franchise contracts are amortized using the straight-line method over the life of the agreements.

Goodwill and Impairment
Goodwill is the excess of the cost of an acquired business over the fair value of the underlying net assets acquired from the business at the time of the acquisition. Goodwill is not amortized. In accordance with FASB's Accounting Standards Update No. 2011-08, the Company tests for goodwill impairment annually.

Deferred Revenue
Deferred revenue consists of the initial franchise fees. It is collected in advance of the period in which all material services and conditions relating to the fee have been substantially completed. When all services and conditions have been completed, 25% of the initial fee is recognized as revenue and the remaining 75% is amortized over the life of the contract.

Advertising Costs
Advertising costs are expensed as incurred and paid by Circle K Stores on behalf of the Company. Advertising expenses were $13,407,651, $11,508,302, and $8,899,256 for 2022, 2021 and 2020, respectively.

2. Concentrations of Credit Risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist of royalties receivable and notes receivable from franchisees. The Company performs on-going credit evaluations within the context of the industry in which it operates.

3. Income Taxes

The provision for income taxes consisted of the following:

	Year Ended April 24, 2022	Year Ended April 25, 2021	Year Ended April 26, 2020
Current	$ 6,346,173	$ 7,195,793	$ 2,005,791
Deferred	(204,438)	(2,880,523)	1,216,265
	$ 6,141,735	$ 4,315,450	$ 3,222,056

The provision for income taxes differs from the federal statutory rate of 21% due to the provision for state income taxes as well as to adjustments to the deferred income tax asset and liability balances.

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Major components of deferred income taxes were:

	April 24, 2022	April 25, 2021
Deferred Income Tax Assets (Liabilities)		
Royalty and other receivables	$ 2,653,072	$ 2,868,930
Accounts payable and accrued liabilities	87,718	81,688
Intangible assets	1,217,910	1,289,999
Deferred income tax assets	3,958,700	4,240,617
Property and equipment	(4,541,087)	(5,027,441)
Deferred income tax liabilities	(4,541,087)	(5,027,441)
	$ (582,387)	$ (786,824)

4. Notes Receivable from Franchisees

Notes receivable from franchisees relate to loans made to the franchisees to assist them in making improvements to their stores. The repayment period is 10 years with an interest rate of 10% per annum. The notes are secured by the improvements. Interests earned on these notes was $1,580, $3,814, and $10,050 for 2022, 2021 and 2020, respectively. Franchisees may earn promotional rebates up to the principal and interest amounts due on the notes. The fair value of the notes receivable from franchisees approximates their carrying value.

5. Property and Equipment

Property and equipment consisted of the following:

	April 24, 2022	April 25, 2021
Leasehold improvements	$ 39,311	$ 39,311
Equipment	39,824,424	39,689,092
Signs	3,044,143	2,381,333
	42,907,878	42,109,736
Less: Accumulated depreciation	(21,204,371)	(17,124,384)
	$ 21,703,507	$ 24,985,352

Depreciation expense on property and equipment was $4,383,436, $4,064,031, and $3,820,618 for 2022, 2021 and 2020, respectively.

All of the Company's property and equipment were purchased by Circle K Stores or affiliates on behalf of the Company.

6. Intangible Assets

Intangible assets consisted of the following:

	April 24, 2022	April 25, 2021
Tradename	$ 1,301,112	$ 1,301,112
Software	323,628	323,628
Franchise contracts	58,550,632	58,550,632
	60,175,372	60,175,372
Less: Accumulated amortization	(36,025,570)	(31,860,057)
	$ 24,149,802	$ 28,315,315

Amortization expense on franchise contracts was $4,165,513, $4,050,199, and $4,396,200 for 2022, 2021 and 2020, respectively.

The tradename is not subject to amortization.

7. Other Assets

Other assets consisted of the following:

	April 24, 2022	April 25, 2021
Deferred construction allowances	$ 6,291,077	$ 3,987,069
Deferred incentive payments	207,554	335,554
	$ 6,498,630	$ 4,322,623

Deferred construction allowances are amortized on a straight-line basis over a period of up to ten years. Deferred incentive payments are amortized in accordance with the amortization schedules included in the corresponding incentive agreements. Amortization of deferred construction allowances was $1,071,337, $691,228, and $549,068 for 2022, 2021 and 2020, respectively. The fair value of deferred construction allowances and deferred incentive payments approximates their carrying value.

8. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consisted of the following:

	April 24, 2022	April 25, 2021
Accrued promotional expenses	$ 12,819,721	$ 9,059,312
Rebates payable to franchisees	10,803,231	10,322,726
Accounts payable and accrued expenses	4,148,697	1,789,489
Capital expenditures accrual	374,796	340,406
Other	125,971	108,930
	$ 28,272,416	$ 21,620,863

9. Related Party Transactions

Couche-Tard and affiliates provided and paid for the following SG&A services for the Company for 2022, 2021 and 2020:

	Year Ended April 24, 2022	Year Ended April 25, 2021	Year Ended April 26, 2020
Services provided directly by Couche-Tard and affiliates			
Payroll	$ 10,442,942	$ 10,652,694	$ 9,744,617
Employee relations	27,475	18,590	63,392
Travel	349,524	199,118	431,424
Supplies	207,710	141,779	33,780
Advertising	13,407,651	11,508,302	8,899,256
Other	620,106	59,549	260,213
	25,055,408	22,580,032	19,432,682
Services allocated by Couche-Tard and affiliates	57,948	158,433	38,558
Third-party costs paid by Couche-Tard and affiliates	530,741	383,605	1,272,270
Merchandising and support services paid directly to Couche-Tard and affiliates	4,181,561	3,885,443	4,302,937
	$ 29,825,658	$ 27,007,513	$ 25,046,447

During 2017, the Company entered into an agreement with Couche-Tard Brands and Financing, sarl ("CTBF"), an affiliate owned by Couche-Tard, for certain merchandising and support services. The agreement is retroactively effective as of April 29, 2013. Merchandising and support services charged by CTBF was an expense in 2022 of $58,272, while it was a net credit of $168,042, and an expense of $592,642, respectively for 2021, and 2020. The net credit in 2021 was the result of a true-up in the prior years estimated service costs. In 2020, the Company entered into an agreement with Circle K Procurement and Brands Limited ("CKPB"), an affiliate owned by Couche-Tard, for certain merchandising and support services. Merchandising and support services charged by CKPB accumulated to $4,123,289, $4,053,485, and $3,710,295, respectively, for 2022, 2021 and 2020.

The Company is charged an annual trademark fee by Circle K Stores for the use of the "Circle K" tradename. The trademark expense is based on the percentage of franchise sites to total sites operating under the Circle K tradename. Trademark expenses represented $449,374, $418,864, and $860,283, respectively for 2022, 2021 and 2020.

The receivable from parent company represents the net balance resulting from various transactions between the Company and affiliates owned by Couche-Tard and transactions conducted by those affiliates on behalf of the Company. These net transactions are not settled on a regular basis and are not interest-bearing.

The Company does not have an operating bank account and all cash activity is funded through Circle K Stores. The transactions are then recorded through intercompany transactions to correctly state the balances.

The Company purchases fuel to sell to franchisees from Circle K Stores. Circle K Stores purchases the fuel from various third-party suppliers. Only the exact fuel volume intended for sale to franchisees is purchased from Circle K Stores. Fuel purchased from Circle K Stores was $47,952,370, $17,470,209, and $8,105,669, respectively for 2022, 2021, and 2020.

On December 12, 2003, the Company signed a note agreement with Circle K Stores providing for an advance of up to $15,000,000. As of April 24, 2022, $5,000,000 had been advanced to Circle K Stores pursuant to the note. Interest is paid on a semiannual basis on the last day of June and December at the federal short-term rate, as defined by the Internal Revenue Code of 1986, as amended. The resulting interest receivable is included in Receivable from parent company on the consolidated balance sheet. The note is payable on demand however, as the Company does not intend to call the payment in the next twelve month, the receivable is classified as non-current on the consolidated balance sheet. Interest earned on the note was $9,947, $21,239, and $108,492 for 2022, 2021 and 2020, respectively.

EXHIBIT C

List of State Franchise Administrators and Agents for Service of Process

List of State Agencies and Agents for Service of Process

CALIFORNIA
California Commissioner of Business Oversight
Department of Business Oversight
Securities Regulation Division
320 W. 4th Street
Suite 750
Los Angeles, CA 90013
1-866-275-2677 (toll free)

ILLINOIS
Attorney General State of Illinois
500 South Second Street
Springfield, IL 62706

INDIANA
Agent for Service of Process
Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, IN 46204

State Administrator
Securities Commissioner
Indiana Securities Division
302 West Washington, Room E-111
Indianapolis, IN 46204

MICHIGAN
Michigan Department of Attorney General
Consumer Protection Division
Antitrust and Franchise Unit
G. Mennen Williams Building, First Floor
525 West Ottawa Street
Lansing, MI 48913

SOUTH DAKOTA
South Dakota Division of Insurance
Securities Regulation
Antitrust and Franchise Unit
124 S Euclid, Suite 104
Pierre, SD 57501
(605) 773-4823

VIRGINIA
Clerk of the State Corporation Commission
1300 East Main St., 9th Floor
Richmond, VA 23219

EXHIBIT D

Table of Contents of Business Systems Manuals

Online Store Guides

Circle K Online Store Guides

Section 1 - Guide To Establishing A Circle K Franchise – 18 pages

Section 2 – Introduction – 4 pages

Section 3 - Human Resources – 87 pages

Section 4 - Managing A Circle K – 23 pages

Section 5 - Daily Store Procedures – 54 pages

Section 6 - Merchandising Store Planning – 26 pages

Section 7 – Advertising – 12 pages

Section 8 - Loss Prevention Guide – 31 pages

Section 9 - Accounting Reporting Record Keeping – 14 pages

Section 10 - Inventory Management – 22 pages

Section 11 - Motor Fuel Business Guide – 14 pages

EXHIBIT E

CIRCLE K® Acknowledgment Addendum

CIRCLE K® Acknowledgment Addendum

The purpose of this Acknowledgment Addendum is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your business. Please review each of the following questions carefully and provide honest responses to each question.

Acknowledgments and Representations.

All agreements between you and TMC Franchise Corporation or its affiliates are collectively referred to in this Questionnaire as "Agreement" or "Agreements."

1. Did you receive a copy of our Disclosure Document (and all exhibits and attachments) at least fourteen calendar days prior to signing the Agreements? Check one: (_) Yes (_) No. If no, please comment: _____

2. Have you studied and reviewed carefully our Disclosure Document and Agreements? Check one: (_) Yes (_) No. If no, please comment: _____

3. Did you understand all the information contained in both the Disclosure Document and Agreements? Check one (_) Yes (_) No. If no, please comment _____

4. Have you discussed the benefits and risks of operating a Circle K Business with an attorney, accountant or other professional advisor? Check one (_) Yes (_) No.

5. Has any employee or other person speaking on behalf of TMC Franchise Corporation made any statement, promise, or agreement concerning the advertising, marketing, training, support service, or assistance that TMC Franchise Corporation will furnish to you that is contrary to, or different from, the information contained in the Franchise Disclosure Document or Agreements? Check one (_) Yes (_) No. If yes, please comment _____

6. Was any oral, written or visual claim or representation made to you which contradicted the disclosures in the Disclosure Document? Check one: (_) Yes (_) No. If yes, please state in detail the oral, written or visual claim or representation: _____

7. Did any employee or other person speaking on behalf of TMC Franchise Corporation make any statement or promise regarding the costs involved in operating a CIRCLE K Business that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document? Check one: (__) Yes (__) No. If yes, please comment: _____

8. Except as stated in Item 19, did any employee or other person speaking on behalf of TMC Franchise Corporation make any oral, written or visual claim, statement, promise or representation to you that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any CIRCLE K Business, or the likelihood of success at your business? Check one: (_) Yes (_)

No. If yes, please state in detail the oral, written or visual claim or representation:_____

_____

9. Do you understand that TMC Franchise Corporation makes no representations or warranties and expressly disclaims all liability with respect to any studies of the prospective Circle K Business location prepared by third parties at your request (including, without limitation any third party retail analytics studies) and that any such third party studies are not taken into account by TMC Franchise Corporation in evaluating any proposed site locations? Check one: (_) Yes (_) No. If no, please comment_____

_____

10. Do you understand that that the franchise granted is for the right to operate a CIRCLE K Business at a particular location only and that we have the right to issue franchises or operate competing businesses from any other location, regardless of the proximity to your location? Check one: (__) Yes (__) No. If no, please comment_____

_____

11. Do you understand that the approval of TMC Franchise Corporation of the site for a CIRCLE K Business does not constitute an assurance, representation or warranty of any kind as to the successful operation or profitability of a CIRCLE K Business operated at the site? Check one: (__) Yes (__) No. If no, please comment_____

_____

12. Do you understand that the Agreements and Disclosure Document contain the entire agreement between you and us concerning the franchise for the CIRCLE K Business, meaning that any prior oral or written statements not set out in the Agreements or Disclosure Document will not be binding? Check one: (__) Yes (__) No. If no, please comment:_____

_____

13. Do you understand that the success or failure of your CIRCLE K Business will depend in large part upon your skills and experience, your business acumen, your location, the local market for products under the CIRCLE K trademarks, interest rates, the economy, inflation, the number of employees you hire and their compensation, competition and other economic and business factors? Further, do you understand that the economic and business factors that exist at the time you open your Circle K Business may change? Check one (__) Yes (__) No. If no, please comment:_____

_____

14. Do you understand that any training, support, guidance or tools we provide to you as part of the franchise are for the purpose of protecting the CIRCLE K brand and trademarks and to assist you in the operation of your CIRCLE K Business and not for the purpose of controlling or in any way intended to exercise or exert control over your decisions or day-to-day operations of your business, including your sole responsibility for the hiring, wages, training, supervision and termination of your employees and all other employment and employee related matters? Check One: (__) Yes (__) No. If no, please comment: _____

_____

15. Do you understand that TMC Franchise Corporation may receive and keep consideration in the form of discounts, rebates, or marketing allowances on purchases that you make from designated suppliers and service providers? Check One: (__) Yes (__) No. If no, please comment:

_____

_____

16. Do you understand that you will be required to pay back to TMC the unamortized portion of any funding that you elected to receive if you sell your Circle K business to a third party or the Franchise Agreement is otherwise terminated early, and that such funding does not begin to amortize for three years? Check One: (__) Yes (__) No. If no, please comment: _____
_____

17. Do you understand that you are required to carry, among other types of coverages, general commercial liability insurance, business automobile coverage, liquor liability coverage, and umbrella/excess coverage (each with prescribed minimum policy amounts) and that you will be required to submit a certificate evidencing compliant coverage before you are permitted to open your Circle K business? Check One: (__) Yes (__) No. If no, please comment: _____
_____

18. Do you understand that you are required to keep your Circle K Business open and operating 24 hours per day, 7 days per week (including all holidays) and that a failure to keep your Circle K business open for 24 hours per day (unless prohibited by local law) will be a violation of your Franchise Agreement and may result in an increase of your Royalty Fee rate applicable to Gross Sales by up to 1%? Check One: (__) Yes (__) No. If no, please comment:_____
_____

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS ADDENDUM, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS. IF MORE SPACE IS NEEDED FOR ANY ANSWER, CONTINUE ON A SEPARATE SHEET AND ATTACH.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS OPERATING PARTNERS MUST EXECUTE THIS ACKNOWLEDGMENT.

Signed:_____	Signed:_____
Print Name:_____	Print Name:_____
Date:_____	Date:_____
Signed_____	Signed:_____
Print Name:_____	Print Name:_____
Date:_____	Date:_____

*All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended nor shall they act as a release, estoppel or waiver of liability incurred under the Maryland Franchise Registration and Disclosure Law.

EXHIBIT F

Franchise Agreement

CIRCLE K®
CONVENIENCE STORE AND MOTOR FUEL FRANCHISE AGREEMENT

Date: _____

BY AND BETWEEN

TMC FRANCHISE CORPORATION
1130 West Warner Road
Tempe, Arizona 85284

602-728-8000

AND

_____

_____

_____

_____

FRANCHISED LOCATION:

_____

_____

_____

TABLE OF CONTENTS

Page

ARTICLE 1 DEFINITIONS 1

ARTICLE 2 GRANT OF LICENSE 2

2.1 Non-Exclusive License; Franchised Location; Business Opening 2
2.2 Franchisor's Reservation of Rights 2
2.3 Use of Franchised Location; No Subfranchising 2
2.4 Circle K Business Relocation 3

ARTICLE 3 TERM; FRANCHISEE'S OPTION TO RENEW 3

3.1 Term 3
3.2 Conditions to Renew 3
3.3 Renewal Obligations 4
3.4 Early Renewal 5

ARTICLE 4 MARKS, BUSINESS SYSTEM, AND TECHNIQUES 5

4.1 Ownership 5
4.2 Use of the Marks 5
4.3 Franchisee's Business Name 6
4.4 Substitution of Marks 6
4.5 Adverse Third-Party Claims to Marks 6
4.6 Defense or Enforcement of Right to Marks 6
4.7 Tender of Defense 7

ARTICLE 5 INITIAL FRANCHISE FEE; ROYALTY FEE; AND PAYMENTS 7

5.1 Initial Franchise Fee 7
5.2 Royalty Fees 7
5.3 Additional Business 7
5.4 Optional Program Fees 8
5.5 Site Development Fee 8
5.6 Method of Payment; Insufficient Funds Fee 8
5.7 Interest on Unpaid Fees 8
5.8 Franchisee's Absolute Obligation to Pay 9
5.9 Franchisor's Set-Off Right 9

ARTICLE 6 ADVERTISING AND PROMOTIONS 9

6.1 Promotional Fees 9
6.2 General Promotional Fee 9
6.3 Local and Regional Promotional Fee 9
6.4 National Promotional Fee 10
6.5 Grand Opening 10
6.6 Advertising and Customer Goodwill Programs 11
6.7 Franchisee's Advertising 11
6.8 Advertising Council and Advertising Cooperative Programs 11
6.9 Advertising Programs and Vendor Promotions 12

ARTICLE 7 BUILDING DESIGN AND SPECIFICATIONS; FRANCHISEE'S LEASE 13

7.1 Circle K Business Improvements, Fixtures, and Equipment; Compliance with Franchisor's Standards 13
7.2 Changes in Plans and Specifications; Inspections 14
7.3 Remodeling 14
7.4 Maintenance and Repair 14
7.5 Signs 14
7.6 Funding 15
7.7 Franchised Location; Franchisor's Approval of the Lease 15
7.8 Lease Termination 15

ARTICLE 8 QUALITY CONTROL, UNIFORMITY, AND STANDARDS REQUIRED OF FRANCHISEE 16

8.1 Authorized Services and Products 16
8.2 Purchases 17
8.3 Inventory of Products 17
8.4 Operational Requirements 18
8.5 Suppliers 20
8.6 Franchisee's Participation in Operations 20
8.7 Business Manager 21
8.8 Uniforms 21
8.9 Payment of Expenses 21
8.10 Compliance with Laws 21
8.11 Payment of Taxes 21
8.12 Corporation, Partnership, or Limited Liability Company as Franchisee 22
8.13 Guaranties 22
8.14 Initial Training 22
8.15 Expenses 23
8.16 Opening Assistance 23
8.17 Changes in Business Manager 23
8.18 Additional Training 23
8.19 Employee Training 24
8.20 Annual Convention 24

ARTICLE 9 CONFIDENTIAL BUSINESS SYSTEMS MANUALS AND OTHER INFORMATION 24

9.1 Compliance with Business Systems Manuals 24
9.2 Revisions to Business Systems Manuals 24
9.3 Confidentiality 24
9.4 Inspection Rights 24
9.5 Key Individual 25

ARTICLE 10 NON-COMPETITION 27

10.1 Covenant Not to Compete 27

ARTICLE 11 ELECTRONIC POINT OF SALE SYSTEM; REPORTS, INSPECTIONS AND FINANCIAL STATEMENTS 28

11.1 EPOS System, Computer Systems and Internet Access 28
11.2 Participation in Website or Other Online Communication Systems 29
11.3 Franchisor Access to Data; Reports; Financial Statements 29
11.4 Franchisor's Audit Rights 29
11.5 Tax Returns 30
11.6 Accounting Forms 30
11.7 Delinquent Reports 30

ARTICLE 12 SERVICES PROVIDED BY FRANCHISOR 30

12.1 Franchisor's Services 30
12.2 Third-Party Management Firm 31

ARTICLE 13 INSURANCE 31

13.1 General Liability 31
13.2 Business Automobile 32
13.3 Umbrella or Excess 32
13.4 Commercial Property 32
13.5 Liquor Liability 32
13.6 Insurance Required By Law 32
13.7 Environmental Pollution/Impairment Insurance 32
13.8 Other Insurance 33
13.9 Minimum Requirements 33
13.10 Additional Insured 33
13.11 Certificate of Insurance 33
13.12 Subcontractors 33
13.13 Waiver of Subrogation 34
13.14 Cross Liability 34
13.15 Primary Coverage 34
13.16 Policy Cancellation 34
13.17 Policy Rating 34
13.18 Financial Responsibility 34
13.19 Obligations 34

ARTICLE 14 DEFAULT; TERMINATION RIGHTS 34

14.1 Franchisor's Immediate Termination Right Without Notice 34
14.2 Franchisor's Immediate Termination Rights With Notice 35
14.3 Other Conditions of Breach 36
14.4 Notice of Breach; Cure Period 37
14.5 Extended Cure Period 37
14.6 Cross-Default with Related Agreements 37
14.7 Rights and Obligations upon Expiration or Termination 38
14.8 Interim Period 40

ARTICLE 15 TRANSFER 41

15.1 Transfer by Franchisor 41
15.2 Transfer by Franchisee 41
15.3 Change of Ownership 43
15.4 Death or Incapacity 43

15.5 Divorce/Dissolution 44

ARTICLE 16 FRANCHISOR'S OPTION TO PURCHASE ASSETS 44

16.1 Franchisor's Right to Purchase Business Assets 44
16.2 Transfer of Majority Interest in Franchisee 44
16.3 Notice of Purchase 45
16.4 Offsets 45
16.5 Assessment of Property Condition; Purchase of Business Assets 45

ARTICLE 17 INDEMNIFICATION 47

17.1 Indemnification 47
17.2 Risk Allocation 47
17.3 Defense of Claims 47
17.4 Survival of Indemnity 48
17.5 Notification of Possible Indemnity Events 48

ARTICLE 18 DISPUTE RESOLUTION 48

18.1 Negotiation; Mediation 48
18.2 Arbitration 48
18.3 Exception to Arbitration 49
18.4 Injunctive Relief 49
18.5 Cumulative Rights 49
18.6 Venue and Jurisdiction 49

ARTICLE 19 NOTICES 50

ARTICLE 20 MISCELLANEOUS 50

20.1 Relationship of Parties; Independent Contractor 50
20.2 Conduct of Business 51
20.3 Approval 51
20.4 Successors 51
20.5 Governing Law 51
20.6 Franchisor's Right of Self-Help 51
20.7 Counterparts 51
20.8 Variances 52
20.9 Severability 52
20.10 Waiver 52
20.11 Entire Agreement 52
20.12 Joint and Several Obligations 53
20.13 No Oral Modifications 53
20.14 Headings; Terms 53
20.15 Interpretation of Rights and Obligations 53
20.16 Force Majeure 53
20.17 Anti-Terrorism Provision 54

ARTICLE 21 CKNOWLEDGMENTS BY FRANCHISEE 54

21.1 Business Risk; No Financial Projections 54
21.2 Recommendation to Obtain Legal Counsel 54

21.3 Other Franchisees 55
21.4 Disclaimer by Franchisor 55
21.5 No Income or Refund Warranties 55
21.6 Receipt of Franchise Disclosure Document and Franchise Agreement 55
21.7 No Other Representations 55

SCHEDULES AND EXHIBITS

Schedule 1	Definitions	
Exhibit 1	Data Sheet	1-1
Exhibit 2	Electronic Point of Sale and Software Agreement	2-1
Exhibit 3	Electronic Funds Transfer Authorization	3-1
Exhibit 4	Funding Agreement	4-1
Exhibit 5	Personal Guaranty	5-1
Exhibit 6	Motor Fuel Supply Agreement	6-1
Exhibit 7	Credit Network Agreement	7-1

CIRCLE K® CONVENIENCE STORE AND MOTOR FUEL FRANCHISE AGREEMENT

THIS CIRCLE K® CONVENIENCE STORE AND MOTOR FUEL FRANCHISE AGREEMENT (the "**Agreement**") is made and entered into as of the Effective Date (as set forth on the signature page hereto), by and between TMC Franchise Corporation, an Arizona corporation, 1130 West Warner Road, Tempe, Arizona 85284 ("**Franchisor**"), and _____("**Franchisee**").

RECITALS:

A. Franchisor has received from its affiliate the right to license to those individuals and entities who meet the qualifications established from time to time by Franchisor the right to use of the name "Circle K®" (and certain other Marks) and the Business System (each capitalized term as defined below) in connection with the operation of retail convenience stores with motor fuel stations and if applicable, car wash stations, under the name "Circle K®".

B. Franchisee desires to acquire from Franchisor the right to use the Marks and the Business System to operate a Circle K Business (as defined below) at the location specified in this Agreement in conformity with the Business System and the uniformity requirements and quality standards as established from time to time by Franchisor, subject to the terms and conditions of this Agreement.

C. Franchisee understands that Franchisor would neither grant to Franchisee the right to use the Marks and the Business System nor provide Franchisee with any information or know-how about Circle K Businesses and the Business System unless Franchisee has agreed to comply with the terms and conditions of this Agreement, including the obligation to pay the Initial Franchise Fee, the Royalty Fee, the Promotional Fee, and the other fees and payments specified herein and to purchase motor fuel from Franchisor or its affiliate.

D. Simultaneously herewith, the parties are entering into a motor fuel supply agreement (attached hereto as Exhibit 6) (the "**Motor Fuel Agreement**"), pursuant to which Franchisee has agreed to purchase from Franchisor its motor fuel requirements for resale at the Circle K Business.

In consideration of the covenants and promises contained herein, the sufficiency and receipt of which are hereby acknowledged by the parties, Franchisor and Franchisee hereby agree as follows:

ARTICLE 1
DEFINITIONS

In addition to terms defined elsewhere in this Agreement, the capitalized terms used in this Agreement shall have the definitions set forth in Schedule 1 attached hereto.

ARTICLE 2
GRANT OF LICENSE

2.1 Non-Exclusive License; Franchised Location; Business Opening. Subject to the terms and conditions herein, Franchisor hereby grants to Franchisee, and Franchisee hereby accepts, a non-exclusive license to establish and operate, during the Term, a Circle K Business, in conformity with the Business System, using the Marks (the "**License**"), at the location described in the Data Sheet attached hereto as Exhibit 1 (the "**Franchised Location**"). Franchisee agrees that the Circle K Business shall be constructed in accordance with the requirements of this Agreement and should be ready to open within: (i) 180 days of the Effective Date, if the Circle K Business is a Conversion Business; (ii) 365 days of the Effective Date, if the Circle K Business is a New Circle K Business; or (iii) 240 days of the Effective Date, for all other types of construction projects. A failure to open a Conversion Business within one year or a New Circle K Business within two years will entitle Franchisor to immediately terminate this Agreement without Franchisor incurring any liability for such termination. If this Agreement is so terminated, Franchisee must comply with all post-termination obligations set forth herein, including but not limited to the payment of Liquidated Damages.

2.2 Franchisor's Reservation of Rights. Except for the limited License granted to Franchisee hereunder, all other rights related to the Business System and the Marks not specifically granted to Franchisee hereunder are expressly reserved by Franchisor and its Affiliates. Franchisee acknowledges that the License granted hereby relates solely to the Franchised Location, affords Franchisee no rights regarding other licenses or locations, and does not give Franchisee any exclusive right to market or sell to any prospective customers or any exclusive right to any territory. Without limiting the generality of the foregoing, Franchisee acknowledges and agrees that Franchisor and its Affiliates have expressly reserved certain rights to the use of the Marks, the Business Systems, the Methods, and Confidential Information in connection with their own convenience store, motor fuel, car wash and retailing operations, in connection with licensing the same or similar products or services utilizing the same or similar Marks, or any other trademarks, service marks or names, in connection with the manufacture and sale of products at wholesale and at retail, and in connection with granting such rights to others pursuant to a franchise agreement, some or all of which activities may compete, directly or indirectly, with Franchisee's operation of the Circle K Business. Franchisee agrees that it will not in any way interfere with the business operations of Franchisor, its Affiliates or other franchisees or licensees. Franchisor has the right to make such changes to the Business System as it deems appropriate, including without limitation, changes to the building appearance and "image" requirements. Because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor has the right to vary the standards for any license owner based upon the peculiarities of a particular site or circumstance, density of population, business potential, population or trade area, existing business practices, governmental requirements, local ordinances, or any other condition that Franchisor deems to be potentially significant to the successful operation of a Circle K Business. A grant by Franchisor of one or more variances to one or more other franchisees or licensees will not entitle Franchisee to the same or a different variation.

2.3 Use of Franchised Location; No Subfranchising. Franchisee agrees to operate the Circle K Business under the Business System using the Marks in strict compliance with the terms and conditions of this Agreement. Franchisee will operate the Circle K Business under the name

"Circle K" (the "**Franchised Name**") and will not change the Franchised Name or use any other marks or names in the Franchised Name, or in any other manner, except with Franchisor's prior written approval. Franchisee may not operate any other business at the Franchised Location without prior written approval from Franchisor. Franchisee may not use or attempt to use the Circle K Business or the Franchised Location for any purpose other than as permitted hereunder, or separately approved in writing by Franchisor, nor may Franchisee sublease, subfranchise, or transfer (other than in compliance with the terms of this Agreement) to any other person or entity the Circle K Business or the Franchised Location's leasehold interest or other rights relating in whole or in part to the Franchised Location.

2.4 Circle K Business Relocation. Franchisee may not change the Franchised Location without the prior written approval of Franchisor. Franchisee shall request such approval in writing which sets forth the proposed new location and the reason(s) for the relocation request. Franchisor will use commercially reasonable efforts to approve or deny the relocation of the Circle K Business within sixty (60) days from the date the request is received. If Franchisor approves such relocation, Franchisee may relocate the Circle K Business to the approved new location, at Franchisee's sole cost and expense, and must pay to Franchisor a relocation fee equal to fifty percent (50%) of Franchisor's then-current initial franchise fee. In connection with Franchisor's approval of the relocation, Franchisor reserves the right to require Franchisee to execute Franchisor's then-current form of franchise agreement.

ARTICLE 3
TERM; FRANCHISEE'S OPTION TO RENEW

3.1 Term. The term of this Agreement (the "**Term**") begins on the Effective Date and will expire on the tenth (10^{th}) anniversary of the Open Date (the "**Expiration Date**"), unless earlier terminated in accordance with Article 13. Once established by Franchisor, the Open Date and the Expiration Date will be noted on the Data Sheet.

3.2 Conditions to Renew. Upon expiration of the Term, Franchisee will have an option to receive an offer of a new license for the Franchised Location for one renewal term equal to the initial term of the then-current form of franchise agreement of Franchisor; provided that: (1) Franchisor has not determined, before the end of the Term, in good faith and in the normal course of business either (i) that renewal of the franchise relationship is likely to be not economical for Franchisor, or (ii) to withdraw from the relevant geographic market in which the Circle K Business is located; and (2) Franchisee is in Good Standing and has agreed to and has complied with all of the following conditions:

Franchisee has given Franchisor written notice of its desire to seek such a new license at least six (6) months prior to the expiration of the Term. (Franchisee's failure to timely provide such notice will be deemed a waiver of the option to renew.)

Throughout the Term, Franchisee has complied in good faith with all material terms and conditions of this Agreement and the Motor Fuel Agreement and has operated the Circle K Business in compliance with the material operating and quality standards and procedures of the Business System, and Franchisee is not in default under this Agreement, the Motor Fuel Agreement or any other agreement with Franchisor or its Affiliates.

Franchisor has not received numerous bona fide customer complaints concerning Franchisee's operation of the Circle K Business or any single bona fide complaint evidencing egregious or unconscionable conduct on part of the Franchisee or Franchisee's employees in dealing with customers.

If requested by Franchisor, Franchisee will upgrade and renovate the Franchised Location to conform to the current standards and image required of then-new franchisees, including, without limitation, upgrading of signs, equipment, furnishings, fixtures, and décor, and such upgrades and renovations must be completed within nine months of the expiration of the Term.

Franchisee and Guarantors will execute a general release (a "**Release**") in a form satisfactory to Franchisor, of any and all claims each may have against Franchisor, its Affiliates and their officers, directors, shareholders, employees, consultants, and agents, in their corporate and individual capacities, including without limitation, all claims arising under this Agreement and under any federal, state, or local law, rule, or ordinance. If applicable law prohibits the giving of a general release as a condition for the offer of a new license, then this Section 3.2(F) will not be a condition for the offer of a new license, unless a release of some, but not all, claims is permitted, in which instance Franchisee and Franchisor will execute a release to the extent permitted by law.

All monetary obligations owed by Franchisee to Franchisor or any Affiliates have been paid in full, or resolved to Franchisor's satisfaction, prior to the end of the Term, and have been timely paid throughout the Term.

Franchisee and Franchisee's Business Manager will complete any new, refresher, or additional training and educational programs that Franchisor may require.

3.3 Renewal Obligations. If Franchisee meets the conditions in Section 3.2 above, then Franchisee will be required to execute Franchisor's then-current form of franchise agreement and motor fuel agreement (collectively, the "**Renewal Agreements**") and pay Franchisor's then-current renewal fee as set forth in Franchisor's then-current franchise disclosure document. Franchisee will be required to pay the Royalty Fees and Promotional Fees at the rates specified in the Renewal Agreements plus any additional fees that may be required under such Renewal Agreements (even if such fees are not required under this Agreement or the Motor Fuel Agreement). Franchisee acknowledges that the terms, conditions, and economics of the Renewal Agreements may vary in substance and form from the terms, conditions, and economics of this Agreement or the Motor Fuel Agreement, as applicable. Franchisee acknowledges and agrees that the option to renew is for one renewal term only, unless Franchisor and Franchisee specifically agree in writing otherwise. If this Agreement is signed in connection with a renewal, Sections 3.2 and 3.3 shall not apply unless the parties agree in writing otherwise.

The Renewal Agreements will take effect on the day following the expiration of this Agreement. Whether or not Franchisee accepts Funding from Franchisor, Franchisor will use commercially reasonable efforts to upgrade the Franchised Location within nine months of the expiration of this Franchise Agreement. The timing of completion of any such upgrades will in no way affect the

commencement of the term of the Renewal Agreements, including but not limited to, the payment of applicable royalty or promotion fees.

3.4 Early Renewal. Franchisee may request a renewal, and Franchisor may approve, in Franchisor's discretion, such a renewal request effective prior to the expiration of the Term; provided that upon such early renewal, Franchisee would be in full compliance with this Agreement and the Motor Fuel Agreement and would be in Good Standing. In such event, the term of the applicable Renewal Agreements would consist of the remaining term of this Agreement plus the applicable renewal term. Franchisee would be required to sign a Release and a termination agreement terminating this Agreement and the Motor Fuel Agreement at the time such Renewal Agreements would be signed by the parties.

ARTICLE 4
MARKS, BUSINESS SYSTEM, AND TECHNIQUES

4.1 Ownership. Franchisor represents and warrants that it has the right to license the Marks and the Business System to Franchisee hereunder. All information regarding the Marks and the Business System provided or revealed to Franchisee, together with the goodwill associated therewith, is, and will remain, solely and exclusively, the property of Franchisor (or its Affiliates). Any and all improvements made by Franchisee (or any of its employees, agents, contractors or representatives) relating to the Marks or the Business System will be solely and exclusively the property of Franchisor or its Affiliates, who have the right to register and otherwise protect their rights in all such improvements in accordance with any applicable law. Franchisee agrees not to assert any rights in or to the Marks or the Business System other than as specifically granted in this Agreement. Without limiting the foregoing, Franchisee acknowledges that all of the Techniques (including, without limitation, the Business Systems Manuals) are owned by Franchisor (or its Affiliates), whether or not published, registered, or copyrighted, or suitable for registration or copyright protection, have been revealed to Franchisee in trust and confidence and constitute trade secrets and/or proprietary property of Franchisor and its Affiliates. Franchisor will not be required to divulge any trade secrets to Franchisee except as may be expressly provided for herein. Franchisee shall take no action, or otherwise do anything or fail to do anything that will diminish, reduce, injure, dilute, or otherwise damage the value of the Marks or other Franchisor trademarks or identifications.

4.2 Use of the Marks. Franchisee agrees and acknowledges that it has a limited, non-exclusive right to use the Marks, pursuant to the terms of this Agreement, during the Term, solely in connection with the operation of the Circle K Business, including the advertising, marketing, promotion and sale of approved products and services at the Franchised Location, and such use shall fully comply with Franchisor's branding, image and appearance standards, policies and guidelines, as set forth in the Business System Manuals. Franchisee will not use any names, trademarks, trade names, service marks, logo types, trade styles, designs, signs, symbols, or slogans other than the Marks in connection with the Circle K Business. Any unauthorized use of the Marks or the Business System by Franchisee will constitute an infringement of Franchisor's (or its Affiliates') rights and will constitute a material default under this Agreement and the Motor Fuel Agreement.

4.3 Franchisee's Business Name. Franchisee will not use any of the Marks or anything similar thereto, in or as part of its corporate, sole proprietorship, partnership or other legal entity name. Franchisee will at all times hold itself out to the public as an independent contractor operating the Circle K Business pursuant to a license from Franchisor. Whenever practical, Franchisee will clearly indicate on its business checks, stationery, purchase orders, business cards, invoices, receipts, advertising and promotional materials, and other written materials that Franchisee is a "Circle K®" franchisee. Franchisee will display signs at the Franchised Location that are clearly visible to the general public indicating that the Circle K Business is independently owned and operated as a Circle K franchised business.

4.4 Substitution of Marks. Franchisor has the right to modify, or discontinue the use of, any Marks or to substitute different trade names, service marks, trademarks, logos, designs, and commercial symbols as the Marks used to identify the Circle K Business or in connection with the operation of the Circle K Business. Subject to Section 4.5, upon Franchisor's written instructions, Franchisee will, at its expense, and within the time period specified by Franchisor, make all modifications to the Marks displayed or otherwise used at the Franchised Location as required by Franchisor, and if so directed by Franchisor, Franchisee will cease using all discontinued Marks and commence using the "new" Marks.

4.5 Adverse Third-Party Claims to Marks. If Franchisor requires Franchisee to change the Marks in response to a third party's claim, or in response to a determination by a court of competent jurisdiction that a third party's rights to use the Marks are superior to Franchisor's (or its Affiliate's) rights, then upon written instructions from Franchisor, Franchisee will, at Franchisee's expense: (A) immediately make such changes and amendments to the Marks as may be required by Franchisor; and/or (B) at the Franchised Location and in connection with all advertising, marketing and promotion of the Circle K Business, immediately cease using the Marks at issue and will, as soon as reasonably practicable, commence using the new or modified trademarks, trade names, service marks, designs, trade symbols, logos, or commercial symbols designated by Franchisor in writing. In this limited circumstance only, Franchisor agrees to reimburse Franchisee for the cost of any new signage that Franchisor determines is necessary pursuant to this Section 4.5; provided Franchisee has cooperated with any action Franchisor undertakes with regard to the third-party claim. Franchisee will not make any changes or amendments whatsoever to the Marks or the Business System unless directed so by Franchisor in writing.

4.6 Defense or Enforcement of Right to Marks. Franchisee will have no right to and will not defend or enforce any rights associated with the Marks or the Business System in any court or other proceedings for or against imitation, infringement, any claim of prior use, or for any other claim or allegation. Franchisee will give Franchisor prompt and timely written notice of any and all claims or complaints made against or associated with the Marks or the Business System, and Franchisee will, at its expense, cooperate in all respects with Franchisor and its Affiliates in any lawsuit or other proceedings involving the Marks or the Business System. Franchisor or its Affiliates have the right to determine whether they will commence any action or defend any litigation involving the Marks and/or the Business System, and the cost and expense of all litigation incurred by Franchisor or its Affiliates, including attorneys' fees, specifically relating to the Marks or the Business System will be paid by Franchisor or its Affiliates. Franchisee may, at its expense, retain an attorney of its own choosing to represent it individually in all litigation and court

proceedings involving the Marks or the Business System, and will do so with respect to claims and matters involving only Franchisee (i.e., not involving Franchisor, its Affiliates, or their interests); however, Franchisor or its Affiliates and its legal counsel will have the absolute right to control and conduct any litigation or other proceeding involving the Marks and the Business System. Except as provided for herein, neither Franchisor nor its Affiliates will have any liability to Franchisee for any costs that Franchisee incurs in any such litigation involving the Marks or the Business System and Franchisee will pay for all costs, including attorneys' fees, that it may incur in any such litigation or proceeding arising as a result of matters referred to under this Article, unless Franchisee tenders the defense of any claim related to the Marks or the Business System to Franchisor in a timely manner as provided for herein.

4.7 Tender of Defense. If Franchisee is named as a defendant or party in any action involving the Marks or the Business System, and if Franchisee is named as a defendant or party solely because the plaintiff or claimant is alleging that Franchisee does not have the right to use the Marks or the Business System at the Franchised Location as permitted under this Agreement, then Franchisee will have the right to tender the defense of the action to Franchisor, and Franchisor will, at its expense, defend Franchisee in the action provided that Franchisee has tendered the action to Franchisor within seven (7) days after receiving service of the pleadings or the Summons and Complaint involving the action. Franchisor will indemnify and hold Franchisee harmless from any damages assessed against Franchisee in any actions resulting solely from Franchisee's authorized use of the Marks and the Business System at the Franchised Location if Franchisee has timely tendered the defense of the actions to Franchisor consistent with the requirements of this Section 4.6.

ARTICLE 5
INITIAL FRANCHISE FEE; ROYALTY FEE; AND PAYMENTS

5.1 Initial Franchise Fee. In consideration of the License granted herein, on the date Franchisee executes this Agreement, Franchisee will pay, in full, to Franchisor a fee in the amount set forth in the Data Sheet (the "**Initial Franchise Fee**") via cashier's check or money order. The Initial Franchise Fee is deemed fully earned by Franchisor upon receipt and is non-refundable except if Franchisee is unable to secure the necessary permits for the construction of the Circle K Business, despite Franchisee's good faith efforts and due diligence, in which case the Initial Franchise Fee, reduced by all reasonable expenses incurred by Franchisor to date, will be refunded to Franchisee.

5.2 Royalty Fees. Franchisee shall pay a royalty fee per Accounting Period (the "**Royalty Fee**") equal to the greater of (a) $1,500 or (b) the amount calculated as (i) 3.5% of the prior Accounting Period's Gross Sales plus (ii) $0.0075 for each gallon of prior Accounting Period's Motor Fuel Sales ("**Motor Fuel Sales**"). The Royalty Fee rate set forth in clause (b)(i) of the immediately preceding sentence will be increased by up to: i) 0.5%, if the Franchised Location is located in a city, municipality, or state that prohibits the collection of royalty fees on the sale of alcoholic beverages, and/or ii) 1%, if Franchisor allows Franchisee to install gaming machines at the Franchised Location.

5.3 Additional Business. Franchisee must obtain Franchisor's written approval prior to operating, or permitting others to operate, a separate business (*e.g.*, a food service business)

(such business, as approved in writing by Franchisor, the "**Additional Business**") at the Franchised Location. Franchisor may condition its approval on Franchisee meeting certain conditions and requirements from time to time established by Franchisor, including Franchisee agreeing to pay to Franchisor a royalty fee as a percentage of Franchisee's Gross Sales from the Additional Business as determined by Franchisor from time to time (the "**Co-Branded Royalty Fee**") and Franchisee and/or the Approved Third-Party Operator (as defined below) executing an addendum to this Agreement in the form provided by Franchisor. If a third-party operator of an Additional Business has met the criteria from time to time established by Franchisor, and has been approved in writing by Franchisor ("**Approved Third-Party Operator**"), Franchisee agrees to pay Franchisor a fee per Accounting Period in an amount determined by Franchisor, in lieu of the Co-Branded Royalty Fee, for the right to operate, through the Approved Third-Party Operator, such Additional Business from the Franchised Location (such flat fee, together with the Co-Branded Royalty Fee, the "**Co-Branded Fee**").

5.4 Optional Program Fees. Franchisee may, but is not required to, participate in certain optional programs that Franchisor may from time to time offer to Franchisee (each, an "**Optional Program**"). In connection with participating in an Optional Program, Franchisee will share a portion of the Optional Program revenue with Franchisor and may be required to enter into a separate agreement with Franchisor and/or a third-party vendor approved by Franchisor.

5.5 Site Development Fee. Franchisee will pay Franchisor a Site Development Fee in the amount of $750 ("**Site Development Fee**"), which fee will cover the costs and expenses incurred by Franchisor in preparing a marketing floor plan for the Circle K Business. The Site Development Fee will be paid out of the Funding that Franchisee receives, or, if Franchisee does not accept Funding, Franchisee will be required to pay this amount to Franchisor upon execution of this Agreement.

5.6 Method of Payment; Insufficient Funds Fee. Except as otherwise stated in this Agreement, all recurring payments required to be paid to Franchisor under this Agreement will be paid by electronic funds transfer via the Automated Clearing House ("**ACH**") or wire transfer (at Franchisor's election) to Franchisor or its Affiliates by the 15th day of each Accounting Period for the preceding Accounting Period's business activity (or by such other due date as we may from time to time specify). If the payment due date is a Saturday, Sunday, or a legal holiday, the payment will be made on the immediately following business day. Franchisee hereby agrees to make arrangements with its bank to allow Franchisor or its Affiliates to draw on Franchisee's bank account on a continuing basis by ACH or wire transfer for the amount of all fees and payments due Franchisor as provided herein and agrees to execute the Electronic Funds Transfer Authorization set forth in Exhibit 3. If insufficient funds are available in Franchisee's account at the time payment is due hereunder, Franchisor may charge Franchisee Franchisor's then-current insufficient funds fee (currently $50), or the maximum rate allowed by law, for each insufficient funds payment.

5.7 Interest on Unpaid Fees. If Franchisee fails to remit the fees required to be paid under this Agreement or the Motor Fuel Agreement when due (including if insufficient funds are available in Franchisee's account to fully pay the amount owed when due), the applicable payment will be considered late, Franchisee will be in default hereunder and any unpaid and past due fees

will bear interest at the rate of one and one-half percent (1½%) per Accounting Period or the legal rate allowed by applicable law, whichever is lower.

5.8 Franchisee's Absolute Obligation to Pay. Franchisee's obligation to pay Franchisor the fees required hereunder and under the Motor Fuel Agreement will be absolute and unconditional. Franchisee will not, for any reason, withhold payment of any Royalty Fees, Promotional Fees or any other fees or payments due Franchisor under this Agreement, the Motor Fuel Agreement or any other agreement. Franchisee will not have the right to "offset" any liquidated or unliquidated amounts allegedly due to Franchisee from Franchisor against the Royalty Fees, Promotional Fees or any other payments due to Franchisor under this Agreement, the Motor Fuel Agreement or any other agreement. Franchisee must pay timely and in full all fees due under this Agreement regardless of any claims that Franchisee may allege against Franchisor. Except as noted above with respect to the Initial Franchise Fee, no fees paid by Franchisee hereunder or under the Motor Fuel Agreement are refundable under any circumstances.

5.9 Franchisor's Set-Off Right. Franchisor, in its sole discretion, may withhold, set-off or recoup any amount it owes to Franchisee under this Agreement or the Motor Fuel Agreement (including without limitation any discounts, rebates and allowances under Section 6.6) from or against any amount owed by Franchisee to Franchisor (including without limitation pursuant to any indemnification obligation of Franchisee) or held by Franchisor on Franchisee's behalf.

ARTICLE 6
ADVERTISING AND PROMOTIONS

6.1 Promotional Fees. In addition to the fees payable under Article 5, Franchisee will pay to Franchisor a promotional fee (the "**Promotional Fee**") per each Accounting Period, consisting of the following components:

(A) General Promotional Fee. Franchisee must pay Franchisor 0.25% of Franchisee's Gross Sales (on Gross Sales of up to $125,000) per each Accounting Period to cover general costs associated with promoting Circle K Businesses, including, but not limited to, the cost of image/customer service inspections, incentive programs for franchisees, administrative costs associated with the Promotional Fund, and work done by outside advertising agencies.

(B) Local and Regional Promotional Fee. In addition, Franchisee must pay Franchisor up to 1.25% of Franchisee's Gross Sales (on Gross Sales of up to $125,000) ("**Local and Regional Promotional Fee**") per each Accounting Period to cover the costs associated with local and regional promotions of, and equipment upgrades for, Circle K businesses located in a particular area (the "**Designated Marketing Area**" or "**DMA**"). The exact rate of the Local and Regional Promotional Fee may vary based on the particular DMA in which the Circle K Business is located. All franchisees in a given DMA may not pay the same Local and Regional Promotional Fee rate. At Franchisor's option, if there are surplus Local and Regional Promotional Fees in any given year, Franchisor may elect to direct such surplus to be used to fund local store marketing programs ("**LSM**"), which will give Franchisee the ability to use a portion of such funds to implement Franchisor-approved Circle K Business-level marketing and promotional programs. Franchisee

acknowledges that LSM funds may not be available to Franchisee in every (or any) year during the Term.

(C) National Promotional Fee. The parties acknowledge that no national promotional fee is in effect as of the Effective Date; however, during the Term, Franchisor may require payment of such a fee. In such an event, Franchisor will provide Franchisee at least 60 days' advance written notice, at which time Franchisee will be required to pay Franchisor up to 0.25% of Franchisee's Gross Sales (on Gross Sales of up to $125,000) per each Accounting Period to cover national promotional costs associated with promoting Circle K businesses.

Franchisor has the final decision-making authority over all matters relating to the Promotional Fees collected. The Promotional Fees will be used by Franchisor for payment of costs of category development and to establish and develop marketing, sales promotions, image, customer service, franchisee incentive and advertising programs designed to promote and enhance the Marks and the Business System and to increase sales, to cover Franchisor's costs incurred in the administration of the Promotional Fees, and for any taxes incurred on the Promotional Fees. Franchisor's or Franchisor's Affiliate's marketing department is responsible for category development, as well as the development of the promotional programs, which includes the production, research, and administration of advertising, marketing calendars, production of television, radio, newspaper, direct mail, and point of purchase advertising, grand opening activities for new Circle K business openings and all collateral materials. Upon written request, Franchisor will provide Franchisee with an annual unaudited statement showing the financial status of any fund created by Franchisor with respect to the Promotional Fees, and the manner in which the Promotional Fees were spent by Franchisor during Franchisor's previous fiscal year; provided, however, that Franchisor will not be required to provide any such annual statement to Franchisee earlier than ninety (90) days after the end of Franchisor's fiscal year. Franchisor is not obligated to spend Promotional Fees in any particular market or geographic area or in proportion to the payments made by franchisees in a market. Franchisor does not guaranty that Franchisee's Circle K Business will benefit directly or pro rata from the Promotional Fees, and allocations from the Promotional Fees may benefit other Circle K franchised businesses or Franchisor's Affiliate's company-owned Circle K businesses disproportionately to Franchisee's Circle K Business. Further, Franchisor is not obligated to spend all of the Promotional Fees collected in any fiscal year. If Franchisor's costs for a fiscal year for the advertising and promotions described above exceed or fall short of the Promotional Fees collected for a fiscal year, Franchisor may, at its option, carry the excess or shortfall over to the next fiscal year. The Promotional Fees are payable by Franchisee hereunder in the same manner and at the same time as Royalty Fees as set forth in Article 5. Franchisor will have no fiduciary duty to Franchisee with respect to the collection or expenditure of the Promotional Fees, and any advertising fund created by Franchisor will not be a trust or escrow account held for the benefit or account of Franchisee.

6.2 Grand Opening. Unless exempted by Franchisor, Franchisee will conduct a grand opening advertising and promotional campaign in connection with the opening of the Circle K Business within one hundred (100) days of the date that Franchisee begins conducting Circle K Business hereunder. Franchisor will reasonably assist Franchisee with developing and carrying out such grand opening campaign and will furnish Franchisee with a grand opening materials package. All grand opening activities and related publicity and promotional materials must receive

Franchisor's prior written approval. All publicity and promotional costs including the full cost of any price reductions and other customer inducements incurred in such grand opening advertising campaign will be at the sole expense of Franchisee, which expense will be in addition to Franchisee's obligation to pay the Promotional Fees as set forth above; provided, however, that Franchisor will reimburse Franchisee (from the Local and Regional Promotional Fees) any pre-approved expenditures in the amount of $.50 for each $1.00 Franchisee spends, up to a maximum reimbursement of $4,000.

6.3 Advertising and Customer Goodwill Programs. Franchisor may, from time to time, initiate sales, loyalty, and marketing programs intended to promote and enhance the business of all Circle K businesses, and Franchisee will participate fully therein according to the terms, standards and requirements of the programs as from time to time established by Franchisor, unless Franchisee's participation is otherwise excused in writing by Franchisor. Such programs may include, by way of illustration and not of limitation, gift certificates, coupons, catalog and other direct mail, telemarketing, interchange programs, combination selling programs, or advertising in the yellow pages with other franchisees. The initiation of any such program will not obligate Franchisor to continue the program for any specific time period and Franchisor may modify or discontinue any such program at any time. Franchisee agrees that it may be required to purchase, at its own cost, equipment, supplies and materials and/or license software as part of its participation in these programs, and Franchisee may be required to complete training related to such programs. Upon termination of Franchisee's participation in any program, Franchisee must return to Franchisor any materials related to the program previously provided to Franchisee. In addition, Franchisor may, from time to time, develop advertisements or promotions for the use in radio or television media. Franchisor may make such advertisements or promotions available to Franchisee upon Franchisee's request; provided, that Franchisee will be solely responsible to place the advertisement or promotion and pay for media costs and the costs of voice-over, footage or other costs to identify the location of the Circle K Business.

6.4 Franchisee's Advertising. All advertising, regardless of the form of media used for advertising, including electronic media, social media, press releases, and the internet, done by Franchisee will be subject to Franchisor's prior written approval with respect to form and content, to be obtained in the following manner: copy of the proposed advertising or press release (specifying the anticipated publication date and the medium) will be submitted to Franchisor at least thirty (30) days prior to the anticipated publication date. Franchisor will have thirty (30) days after receiving such copy to approve or disapprove it. A disapproved copy may be re-submitted with corrections, and Franchisor will have ten (10) additional business days to approve or disapprove any such re-submitted copy. Franchisor's failure to respond within the designated period will be deemed an approval; provided, however, that Franchisor's approval of specified advertising (affirmatively or by failure to object) will not preclude Franchisor from subsequently disapproving the same or similar copy. Franchisee's use of any unauthorized signs, notices, advertising, or publications shall be a material breach hereunder giving Franchisor grounds for terminating this Agreement. Without waiving its right to declare Franchisee in breach of this Agreement, Franchisor may enter the Franchised Location and unilaterally seize or remove any unauthorized advertising materials from such Franchised Location.

6.5 Advertising Council and Local Marketing Groups. Franchisor reserves the right to form an advertising council composed of an elected group of franchisees, and, if such a council is

formed and Franchisee is elected to the council, Franchisee agrees to abide by all rules and regulations promulgated by such council, and to regularly participate in the periodic meetings of such council. In addition, Franchisor reserves the right, from time to time, to establish or designate advertising cooperative associations and/or local marketing groups comprised of franchisees in a specific geographic territory (collectively "LMG"), which LMGs would conduct and administer advertising and promotions in the applicable geographic region. If such LMG is formed in the geographic region in which the Circle K Business is located, Franchisee agrees to participate in such LMG. All advertising and promotions conducted by the LMG must be pre-approved in writing by Franchisor. All Circle K businesses owned by Franchisor or its Affiliates within such geographic area will also join such LMG on the same terms and conditions as Franchisee.

6.6 Advertising Programs and Vendor Promotions.

By executing this Agreement, Franchisee assigns to Franchisor its right to receive marketing, advertising, promotional, volume, retail display, and placement discounts, rebates and allowances offered by any manufacturers, distributors, or suppliers of products and services to the Circle K Business, excluding standard counter pack allowances offered by tobacco companies and excluding volume discounts reflected on the invoice by any manufacturer or supplier. For avoidance of doubt, Franchisee acknowledges that access to such manufacturers, distributors and suppliers is not guaranteed, and it is possible that such third parties will be unable or unwilling to deliver products to Franchisee's Circle K Business. Franchisor may, in its sole discretion, (i) keep these discounts, rebates and allowances, (ii) retain a portion of these discounts, rebates, and allowances to off-set the costs associated with administering any vendor discount/rebate programs, (iii) use these discounts, rebates and allowances to supplement the Promotional Fees, or (iv) distribute such discounts, rebates and allowances to franchisees in such amounts and using such allocation methods as Franchisor deems appropriate. In all instances Franchisee agrees to cooperate and participate fully in all advertising and promotional programs or ventures designated by Franchisor, unless otherwise agreed in writing by Franchisor. Franchisor may withhold or offset any amount of marketing allowances and rebates Franchisor previously allocated for distribution to Franchisee from or against any amount owed by Franchisee to Franchisor (including pursuant to any indemnification obligation of Franchisee).

If Franchisor agrees (in its sole discretion) to process any discounts, rebates or allowances on Franchisee's behalf, the following terms shall apply: Franchisor will credit such discounts, rebates and allowances to Franchisee's account, less an administrative fee retained by Franchisor (in an amount from time to time determined by Franchisor), after Franchisor receives payment from the applicable vendor. Franchisor will determine, in its sole discretion, which vendors it will process discounts, rebates or allowances for on behalf of its franchisees. Franchisee acknowledges that the time between the date of the applicable purchase from the vendor and the date Franchisee receives the rebate can vary from 4 to 12 months or longer, depending on the vendor's processing time.

Franchisee acknowledges that it does not have any ownership right or claim to any discounts, rebates, or allowances. Notwithstanding the foregoing, it is Franchisor's current policy to handle discounts, rebates, and allowances in the following manner, and such policy is subject to change at any time in Franchisor's sole discretion, without notice to Franchisee: upon expiration of this Agreement, Franchisor will continue to credit Franchisee's account for all applicable vendor

discounts, rebates and allowances received, less any amounts Franchisee owes to Franchisor, for a period of 6 Accounting Periods after the expiration of this Agreement; following a Transfer of Franchisee's rights hereunder in accordance with Article 15 of this Agreement, Franchisor will continue to credit all vendor discounts, rebates and allowances Franchisor receives through the end of the Accounting Period in which the transfer occurred, less any amounts Franchisee owes to Franchisor, to Franchisee's account, irrespective of which party operated the Circle K Business when the discount, rebate or allowance was earned. Starting on the first day of the Accounting Period subsequent to the transfer, all rebates Franchisor receives will begin to be credited to the new franchisee-transferee. If this Agreement is terminated for any reason other than expiration or a Transfer, Franchisor will cease crediting Franchisee's account with any vendor discounts, rebates, or allowances as of the effective date of such termination.

ARTICLE 7
BUILDING DESIGN AND SPECIFICATIONS; FRANCHISEE'S LEASE

7.1 Circle K Business Improvements, Fixtures, and Equipment; Compliance with Franchisor's Standards. Franchisor must approve any proposed site for the Franchised Location, which site must meet Franchisor's then-current site selection criteria. The Circle K Business and Franchised Location must conform to the approved site and building plans and specifications, exterior and interior decorating designs, required equipment and color schemes for Circle K businesses. Franchisee will take all actions necessary to bring the Franchised Location into compliance with the then-current layout and equipment specifications prior to the Open Date. If the Circle K Business is a Conversion Business, Franchisor, in its sole discretion, may require that the Franchised Location either close or remain open for business during the conversion process. Any general contractor or architect that will be making any improvements to the Franchised Location must be pre-approved by Franchisor. Franchisee will effect building improvements and will install such fixtures and equipment at the Franchised Location as required by Franchisor's current specifications as set forth in the mandatory provisions of the Business Systems Manuals, and Franchisee will provide Franchisor with an architectural schedule prior to making any renovations to the Franchised Location. All plans and specifications must be approved by Franchisor prior to the commencement of construction. All architectural, engineering, construction, and design services for the Circle K Business will be at Franchisee's sole cost and responsibility, although Franchisor will consult with Franchisee regarding the design and layout of the Circle K Business upon the request of Franchisee. Failure to construct and furnish the Circle K Business in accordance with the plans and specifications may result in termination of this Agreement. Franchisee will not make any architectural, structural, design or decorating changes to the interior or exterior of the building or the premises, including any signs bearing the Marks, without Franchisor's prior written approval (unless such change is specifically required under applicable law). The furniture, fixtures, and equipment used in Circle K Business will be acquired from approved suppliers, installed and located in accordance with the floor plans and specifications approved by Franchisor, and will conform to the quality standards and uniformity requirements established from time to time by Franchisor. Franchisor will not be liable for any claims of loss, damage, or expenses arising from the design or plan of the Franchised Location by reason of its approval of plans and specifications or of changes thereto, including, but not limited to, environmental claims, suitability of site, design or plan thereof, and Franchisee will indemnify Franchisor for any such liability should any such claim arise.

7.2 Changes in Plans and Specifications; Inspections. Franchisor must pre-approve in writing any and all changes to the Circle K Business building plans or specifications. Franchisor may make periodic inspections of the site and may conduct a final inspection of the Circle K Business and may require corrections and modifications as it deems necessary to bring the Circle K Business into compliance with the plans and specifications previously approved by Franchisor. If Franchisee fails to correct any unauthorized variance within thirty (30) days of receipt of notice of such default, Franchisor will be entitled to immediately terminate this Agreement. Franchisee will reimburse Franchisor for all expenses incurred in connection with any changes to plans or specifications and any inspections to verify corrections of any defaults.

7.3 Remodeling. Franchisee will make the reasonable capital expenditures necessary to remodel, modernize, redecorate, and renovate the Franchised Location, and to replace and modernize the furniture, fixtures, supplies, and equipment so that the Franchised Location and the Circle K Business will reflect the then-current image intended to be portrayed by Franchisor (collectively, such efforts, "**Remodeling**"). All Remodeling must be done in accordance with the standards and specifications prescribed by Franchisor and any applicable laws, ordinances, and regulations. Franchisee will commence Remodeling within three (3) months from the date Franchisee receives written notice from Franchisor specifying the required Remodeling and will diligently complete such Remodeling within a reasonable time thereafter. Franchisee will not be required to conduct any extensive Remodeling more than once every five (5) years during the Term (each such five year period, the "**Remodel Period**"); provided, however, that (i) if Franchisor determines in good faith that an item or items of furniture, fixtures, or equipment (such as countertops, displays, and fascia) have become so worn in the ordinary course of business prior to the expiration of the applicable Remodel Period and repairs cannot be reasonably made so as to conform the Franchised Location with Franchisor's then-current image standards, such item(s) shall be replaced by Franchisee upon Franchisor's request prior to the expiration of the Remodel Period; or (ii) at such time as Franchisor revises the Circle K Business general building floor plan layout, Franchisee agrees to reconfigure the building floor plan layout to bring the floor plan into conformance with Franchisor's then-current specifications within three (3) months.

7.4 Maintenance and Repair. As between Franchisee and Franchisor, Franchised Location maintenance and repair will be the sole responsibility of Franchisee. Franchisee will at all times maintain the interior and exterior of the Circle K Business buildings and all fixtures, furnishings, signs, and equipment located at the Franchised Location and surrounding area used in connection with the Circle K Business in the highest degree of cleanliness, orderliness, safety, and sanitation and in good repair as set forth in the mandatory provisions of the Business Systems Manuals. Franchisee will make such additions, alterations, repairs, and replacements as necessary to conform to Franchisor's requirements. All replacements of furniture, fixtures, and equipment must conform to the quality standards for Circle K businesses, any applicable laws, ordinances, and regulations, and must be approved by Franchisor in writing.

7.5 Signs. Franchisee will display at the Franchised Location signs, advertising, slogans, and symbols as Franchisor may prescribe from time to time, subject to any Lease and local zoning restrictions. Franchisee will pay for permitting and exterior signage at the Franchised Location and will be responsible for the installation and maintenance of all signs. Any signage including any of the Marks will be sole property of Franchisor, may not be used except as permitted

hereunder and may not be altered or removed by Franchisee except with Franchisor's prior written consent or upon termination of this Agreement.

7.6 Funding. Franchisor is providing funding to Franchisee in connection with the execution of the Franchise Agreement and the Motor Fuel Agreement (the "Funding"), if Franchisee qualifies for same. If Franchisee qualifies for and accepts the Funding, Franchisee must sign the Funding Agreement attached hereto as Exhibit 4 (the "Funding Agreement") and Personal Guaranty (attached hereto as Exhibit 5). Franchisor will use the Funding amount, on Franchisee's behalf, to off-set certain acquisition costs of equipment and certain construction costs of the Circle K Business buildings and premises and pay related invoices on Franchisee's behalf. The Funding will be amortized over the Term. The amount of Funding, if any, that Franchisee receives will be noted on the Data Sheet.

7.7 Franchised Location; Franchisor's Approval of the Lease. Franchisor must approve any lease or other agreement granting Franchisee the right to occupy the Franchised Location as contemplated hereunder (the "**Lease**"), and such approval will not be unreasonably withheld if the landlord ("**Lessor**") agrees in the Lease as follows:

The initial term, or initial term with renewal terms, must be for at least 10 years, or the term of the Franchise Agreement, whichever is longer.

The Lessor consents to Franchisee's use of the Marks and to the operation of a convenience store, a car wash and motor fuel station on the leased premises as required hereunder.

Franchisee may not (i) sublease or assign all or any part of its rights under the Lease or (ii) extend or renew the Lease, in each case without Franchisor's prior written consent.

The Lessor must agree to provide Franchisor with copies of all notices of default or similar communications given to Franchisee under the Lease.

Franchisor has the right to enter the leased premises to make necessary modifications to protect the Marks and the Business System or to cure any default under this Agreement, the Motor Fuel Agreement or the Lease.

Upon default, expiration or termination of this Agreement, and upon notice to the Lessor, Franchisor (or its designee) may assume Franchisee's rights under the Lease, including the right to assign or sublease the Lease. In connection with such assumption, Franchisor will not be obligated to pay the Lessor any past-due rent, common area maintenance fees, or other charges attributable to a period longer than one month. Upon termination of Franchisee's rights under the Lease, the Lessor will give Franchisor thirty (30) days to exercise its assumption option.

Franchisee must furnish Franchisor with a copy of the signed Lease within 10 days after it is signed.

7.8 Lease Termination. If the Lease is terminated due to a default by Franchisee, such Lease termination will constitute a breach of this Agreement and all other related agreements by Franchisee. If Franchisor assumes control of the Franchised Location and the operation of the business conducted therein, the future operation of that business by Franchisor will not be as an

agent of Franchisee, and Franchisor will not be required to account to Franchisee on account thereof.

ARTICLE 8
QUALITY CONTROL, UNIFORMITY, AND STANDARDS REQUIRED OF FRANCHISEE

Franchisee acknowledges and agrees that Franchisor, its Affiliates and predecessors have expended large sums of money to popularize the Marks and the Business System so that the same represents very valuable goodwill distinctive of Franchisor, its Affiliates and their respective business reputations. Franchisee further acknowledges and agrees that Franchisor will from time to time develop, establish, modify, implement, and enforce uniform standards of quality and service regarding the business operations of the Circle K Business. Accordingly, to ensure that all franchisees will maintain the uniformity requirements and quality standards for the foods, products, merchandise, and services associated with Franchisor, Circle K businesses, the Marks and the Business System, Franchisee agrees to maintain the uniformity and quality standards established by Franchisor for all foods, products, merchandise, and services associated with the Marks and the Business System, and agrees to follow Franchisor's standards to assure that all Circle K businesses will be uniform in nature and will provide quality foods, products, merchandise, and services to the public.

Any required standards exist to protect Franchisor's interests in the Business System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to Franchisee. The required standards generally will be set forth in the Business Systems Manuals or other written materials. The Business Systems Manuals also will include guidelines or recommendations in addition to required standards. In some instances, the required standards will include recommendations or guidelines to meet the required standards. Franchisee may follow the recommendations or guidelines or some other suitable alternative; provided, that Franchisee meets and complies with the required standards. In other instances, no suitable alternative may exist. To protect Franchisor's interests in the Business System and Marks, Franchisor reserves the right to determine if Franchisee is meeting a required standard and whether an alternative is suitable to any recommendations or guidelines.

8.1 Authorized Services and Products. Franchisee will diligently and continuously use and offer for sale only those products, merchandise, and services (including product mix) as specified by Franchisor from time to time or as specified in the mandatory provisions of the Business Systems Manuals, which will generally consist of those products and services offered or used by Franchisor and its Affiliates at their Circle K businesses. Franchisee may not use, sell, or offer for sale any other products, merchandise, or services at its Franchised Location unless specifically authorized in writing by Franchisor or as set forth in the mandatory provisions of the Business Systems Manuals. Without the prior written consent of Franchisor, Franchisee may not sell any products, merchandise, or services under the Marks or purchased through Circle K's negotiated purchasing arrangements with suppliers at any location other than the Franchised Location. Franchisor will not be liable for any claim on the part of Franchisee in the event of loss or interruption in the supply of any or all such products or merchandise.

Franchisee acknowledges and agrees that certain approved supplies may only be available from one source, and Franchisor or Franchisor's Affiliate may be that source. Franchisee agrees

to pay the then-current price in effect for all products, supplies, and services that Franchisee purchases from Franchisor or Franchisor's Affiliate. All inventory, products, services, materials and other items and supplies used in the operation or construction of the Circle K Business that have not been approved by Franchisor must conform to the specifications and standards Franchisor establishes from time to time. ALTHOUGH APPROVED OR DESIGNATED BY FRANCHISOR, FRANCHISOR AND ITS AFFILIATES MAKE NO WARRANTY AND EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, WITH RESPECT TO SERVICES, PRODUCTS, EQUIPMENT (INCLUDING, WITHOUT LIMITATION, ANY REQUIRED COMPUTER SYSTEMS), SUPPLIES, FIXTURES, FURNISHINGS OR OTHER APPROVED ITEMS. IN ADDITION, FRANCHISOR DISCLAIMS ANY LIABILITY ARISING OUT OF OR IN CONNECTION WITH THE SERVICES RENDERED OR PRODUCTS FURNISHED BY ANY SUPPLIER APPROVED OR DESIGNATED BY FRANCHISOR. FRANCHISOR'S APPROVAL OR CONSENT TO ANY SERVICES, GOODS, SUPPLIERS, OR ANY OTHER INDIVIDUAL, ENTITY OR ANY ITEM SHALL NOT CREATE ANY LIABILITY TO FRANCHISOR.

8.2 Purchases. To preserve the uniformity of the Business System and the goods sold under the Marks, Franchisor may from time to time require that Franchisee purchase from Franchisor, or its Affiliates, or from a sole source vendor or service provider, certain proprietary items, including, but not limited to, food products, merchandise, accounting and software programs used in the operation of the Circle K Business; provided, that Franchisee will not be required to purchase from Franchisor, its Affiliates, any sole source vendor or service provider, any items not generally used or offered for sale by Franchisor or its Affiliates in their Circle K businesses. Without limiting the foregoing, Franchisor or its Affiliate will be the exclusive supplier of Franchisee's motor fuel requirements at the Circle K Business at all times during the Term, and Franchisee shall purchase its motor fuel requirements from Franchisor or its Affiliate pursuant to the terms of the Motor Fuel Agreement.

8.3 Inventory of Products. Franchisee will maintain at all times sufficient minimum inventories of products and merchandise at the Franchised Location as set forth in the mandatory provisions of the Business Systems Manuals or as otherwise specified by Franchisor. If the Circle K Business is purchased from Franchisor, then Franchisee will pay to Franchisor an amount equal to the value of the entire inventory at the Franchised Location as of the Transfer Date. The inventory will be calculated using the retail inventory accounting method then in use by Franchisor. Franchisee will not be required to purchase damaged or unsaleable merchandise from Franchisor, but may do so by mutual agreement. As soon as practicable, Franchisor will provide Franchisee with an estimate of the value of the inventory expected to be at the Franchised Location as of the Transfer Date, and Franchisee will pay such amount on the date Franchisee receives the estimate, or on such other date that is on or prior to the Transfer Date as Franchisee and Franchisor may mutually agree upon. On the Transfer Date, the parties will then confirm the actual value of the inventory as of the Transfer Date, and within 30 days of the Transfer Date, if the amount paid by Franchisee for the estimated inventory is greater than the actual value of inventory confirmed on the Transfer Date, Franchisee will receive a refund of such difference, and if the amount paid by Franchisee for the estimated inventory is less than the actual value on the Transfer Date, Franchisee will make a corresponding additional payment to Franchisor.

8.4 Operational Requirements. Franchisee will operate the Circle K Business (including any Additional Business) in strict conformity with such uniform methods, standards, and specifications as Franchisor may from time to time prescribe (including without limitation, such methods, standards, and specifications set forth in the mandatory provisions of the Business Systems Manuals) to ensure that the highest degree of quality and service is uniformly maintained. During the Term, Franchisee agrees to:

(A) use the Franchised Location solely for the operation of the Circle K Business and to refrain from using or permitting the use of the Franchised Location for any other purpose or activity without the prior written consent of Franchisor; and

(B) keep the Circle K Business open for business and in normal operation (doors open and fully illuminated) twenty-four (24) hours a day, seven (7) days a week (including all holidays), unless otherwise agreed to in writing by Franchisor, or unless prohibited by local laws or ordinances. The utilization of a pass-through window or bullet-resistant glass does not constitute being open for business in normal operation and requires Franchisor's prior written approval to install at the Franchised Location. If Franchisee operates the Circle K Business for less than twenty-four (24) hours any day during a month in a locality where applicable laws do not prohibit operating twenty-four (24) hours a day, or if Franchisee operates the Circle K Business for twenty-four (24) hours a day, seven (7) days a week, but utilizes a pass-through window or bullet-resistant glass surrounding the sales counter for any such time, in either case such operation will be deemed a default hereunder and in addition to any other remedies available to Franchisor hereunder or under applicable law, Franchisor may, in its sole discretion, increase Franchisee's Royalty Fee rate applicable to Gross Sales by up to one percent (1%) of Gross Sales for so long as such default is continuing. If the Circle K Business is closed for 24 consecutive hours or more without Franchisor's prior written approval, Franchisee's average daily Gross Sales and Motor Fuel Sales for the Accounting Period prior to the closing will be used as Franchisee's daily Gross Sales and Motor Fuel Sales for each day the Circle K Business is closed in order to calculate the Royalty Fees and Promotional Fees due for such days; and

(C) comply with the procedures and systems instituted by Franchisor both now and in the future, including, without limitation, those relating to sales, good business practices, advertising, and other obligations and restrictions set forth herein; and

(D) maintain sufficient supplies of (as Franchisor may prescribe in the mandatory provisions of the Business Systems Manuals or otherwise in writing), and use at all times, only such approved merchandise, equipment, materials, advertising methods, formats, supplies and fuel, as conform with Franchisor's standards and specifications; and

(E) secure and maintain in full force and effect in Franchisee's name all required licenses, permits, and certificates relating to and necessary for the operation of the Circle K Business, including, but not limited to, registration of names, fictitious names, tax permits, and lottery, alcohol (including but not limited to beer, wine, and liquor, if applicable) and tobacco licenses, if required and to deliver copies of any of the foregoing to Franchisor within five (5) days of Franchisor's request. If Franchisee has its alcohol, tobacco, or lottery license suspended or revoked, Franchisor may use Franchisee's average daily Gross Sales for the Accounting Period prior to the suspension or revocation as Franchisee's daily Gross Sales for each day the license is

suspended in order to calculate the applicable Royalty Fees and Promotional Fees due, in addition to any other rights and remedies Franchisor may have available hereunder and under the law; and

(F) notify Franchisor in writing within five (5) days of each of the following events: the threat of, or the actual commencement of, any action, suit, or proceeding, or the issuance of any order, writ, injunction, award, notice, or decree of any court, agency, or other governmental entity, which, in any of the above instances, may adversely affect the operation, financial condition, or goodwill of Franchisee, Franchisor, or the Business System; and

(G) handle all customer complaints and requests for adjustments promptly and consistent with any procedure required in the mandatory provisions of the Business Systems Manuals, and always in a manner that will not detract from the name and goodwill enjoyed by Franchisor; and

(H) maintain a competent, qualified, conscientious staff capable of effectively communicating with customers, vendors, emergency medical personnel, fire fighters, police officers, and others, and employ such minimum number of employees as are necessary to service the anticipated volume of business at the Circle K Business. Franchisee will be solely responsible for the terms of employment, compensation, and proper training of all of its employees; and

(I) render appropriate, prompt, efficient, courteous service at the Franchised Location to Franchisee's customers and conduct the Circle K Business in a good workmanlike manner and in a fair and ethical manner; and

(J) accept and honor debit cards, credit cards, and gift cards and maintain relationships with such credit and debit card issuers or sponsors, check verification services, financial center services, and electronic funds transfer systems as Franchisor may designate or provide from time to time so that Franchisee may accept customers' credit cards, debit cards, and gift cards and other methods of payment. Franchisee agrees that all sales at the Circle K Business made using credit cards, credit identifications, fleet cards, debit cards, gift cards, pre-paid cards or other similar transaction authorization cards will be made pursuant to a point of sale ("POS") system for processing such cards as designated by Franchisor and in accordance with Franchisor's Card Guide made available to Franchisee hereunder. Franchisor reserves the right to add or remove debit or credit card payment systems, relationships, or services, and other methods of payment at any time. In addition, Franchisee must sign the Credit Network Agreement, attached as Exhibit 7 hereto, pursuant to which Franchisee shall agree to utilize the point of sale equipment and back office system designated by Franchisor to process all credit and debit card transactions at the Circle K Business through Franchisor's card processing network and pay the fees specified thereunder; and

(K) maintain adequate security at the Franchised Location, and not permit illegal activities to take place on the premises of the Franchised Location; and

(L) timely pay all utility bills and other obligations and liabilities affecting the Circle K Business or the Franchised Location; and

(M) timely pay all vendors, suppliers, and providers of inventory to ensure that the required levels of inventory are maintained at the Circle K Business; and

(N) apply to participate in the Supplemental Nutrition Assistance Program (SNAP), or other comparable program designated by Franchisor, and accept SNAP benefits as a form of payment; and

(O) comply with all youth access laws prohibiting the sale of tobacco and alcohol to minors and ensure that no minor is allowed to purchase tobacco or alcohol at the Franchised Location; and

(P) refrain from engaging in conduct which would tend to discredit, dishonor, reflect adversely upon or in any manner injure the reputation of Franchisor, the Circle K brand, and/or the Marks; and

(Q) maintain a functioning automated teller machine (ATM) at the Franchised Location unless this requirement is waived by Franchisor; and

(R) not install any gaming machines unless specifically pre-approved in writing by Franchisor and subject to compliance with applicable laws; and

(S) comply with all other requirements which may be prescribed herein and in the Motor Fuel Agreement.

8.5 Suppliers. Franchisee will purchase all merchandise, supplies, equipment, and materials required for the operation of the Circle K Business from suppliers approved by Franchisor who demonstrate, to the satisfaction of Franchisor, the ability to meet Franchisor's standards and specifications for such items; who possess adequate capacity and facilities to supply Franchisee's needs in the quantities, at the times, and with the reliability requisite to an efficient operation; and who have been pre-approved by Franchisor. Franchisor has the right to appoint a single approved primary source of supply for many merchandise items, and Franchisee may be required to purchase these items from this primary source under Franchisor's negotiated contract. Franchisee will not purchase any distressed or salvaged products for resale or use at the Franchised Location. Franchisor and/or its Affiliates may from time to time make available to Franchisee goods, products, and/or services for use at the Circle K Business on the sale of which Franchisor and/or its Affiliates may make a profit, and Franchisor and/or its Affiliates may from time to time receive consideration from suppliers, distributors, and/or manufacturers in consideration of services rendered or rights franchised to such persons. Franchisee acknowledges that Franchisor and/or its Affiliates will be entitled to such profits and/or consideration, as provided in Section 6.6.

If required by Franchisor, Franchisee agrees to work with a third-party management firm designated by Franchisor, or directly with Franchisor or its affiliate, in connection with the construction of Franchisee's Circle K Business premises. A list of the third-party management firms currently used by Franchisor is included in the Business Systems Manuals and may be revised by Franchisor from time to time. Franchisee must obtain Franchisor's prior written approval if it wishes to use a third-party management firm that Franchisor has not designated.

8.6 Franchisee's Participation in Operations. Unless excused in writing by Franchisor, Franchisee will be actively involved in the day-to-day operations of the Circle K Business and will spend adequate management time required to maintain the standards required hereunder. If Franchisee is acquiring the rights to operate more than one Circle K business, Franchisee will be

actively involved in the supervision of management of all of the Circle K businesses owned by Franchisee and will spend adequate management time to ensure Franchisor's standards are maintained at all Circle K businesses.

8.7 Business Manager. If Franchisee will not be solely responsible for the direct management and daily activities of the Circle K Business, Franchisee will hire a Business Manager who will be solely responsible for the direct management and daily activities of the Circle K Business. The Business Manager must successfully complete Franchisor's training program prior to the opening of the Circle K Business. Franchisee agrees that no person who has been convicted of a felony, has otherwise committed any act involving fraud, or has engaged in any acts that could adversely affect or be detrimental to the goodwill of the Marks and the Business System will be permitted to be employed as a Business Manager.

8.8 Uniforms. Franchisee will require its employees to wear the standard attire or uniforms approved by Franchisor and will comply with Franchisor's uniform requirements to promote the Circle K Business image and to protect and further the goodwill associated with the Marks and the Business System.

8.9 Payment of Expenses. Franchisee will be solely responsible for, and will timely pay (unless contested in good faith) all operating expenses, taxes, and levies in connection with the operation of the Circle K Business, including, without limitation, all costs related to obtaining, purchasing, leasing, maintaining, repairing, or replacing inventory, equipment, and other supplies needed to operate the Circle K Business and all salaries and wages and other benefits of employees.

8.10 Compliance with Laws. Franchisee will, at all times and at its expense, conduct and operate the Circle K Business (including any Additional Business) in strict compliance with all applicable federal, state, and local laws, ordinances, and regulations pertaining to the purchase, construction, remodeling and operation of the Circle K Business, including, without limitation, the Americans With Disabilities Act. Without limiting the foregoing, Franchisee acknowledges and agrees that, as between Franchisor and Franchisee, Franchisee is solely responsible for ensuring that all third-party products and services used in connection with the construction and/or operation of the Circle K Business, whether or not approved or recommended by Franchisor, comply with all applicable laws and regulations. Additionally, Franchisee will, at its expense, be solely responsible for determining the licenses and permits required by law for the operation of the Circle K Business, for obtaining and qualifying for all construction or operation licenses and permits required by law, and for complying with all applicable federal, state, and local laws.

8.11 Payment of Taxes. Franchisee will be solely responsible for and will timely pay all federal, state, city, and local taxes and assessments including, but not limited to, individual and corporate income taxes, sales and use taxes, excise taxes, franchise taxes, gross receipts taxes, employee withholding taxes, FICA taxes, unemployment taxes, personal property taxes (including related to signage containing the Marks), real estate taxes, gasoline or motor fuel taxes, and all others taxes payable in connection with the operation of the Circle K Business and sale of merchandise, motor fuel products and services. Without limiting the foregoing, Franchisee also will pay all state and local taxes, including, without limitation, taxes denominated as income or franchise taxes that may be imposed on Franchisor as a result of its receipt or accrual of the Initial Franchise Fee, Royalty Fees, Promotional Fees, or other fees due hereunder or under the Motor

Fuel Agreement, whether assessed against Franchisee through withholding or other means or whether paid by Franchisor directly. In either case, Franchisee shall pay Franchisor (and to the appropriate governmental authority) such additional amounts as are necessary to provide Franchisor, after taking such taxes into account (including any additional taxes imposed on such additional amounts), with the same amounts that Franchisor would have received or accrued hereunder had such withholding or other payment, whether by Franchisor or Franchisee, not been required.

8.12 Corporation, Partnership, or Limited Liability Company as Franchisee. If Franchisee is a corporation, then Franchisee will provide Franchisor with a list of all shareholders (showing the number of shares owned), officers and directors of the corporation, and will keep such information current at all times. All stock certificates of a corporate Franchisee will bear a legend as specified by Franchisor stating that transfer of the stock is restricted and subject to the terms of this Agreement. Upon Franchisor's request, each shareholder will execute an acknowledgment of restriction on the right to transfer stock of the corporation. If Franchisee is a partnership, limited liability company or other entity, then Franchisee will provide Franchisor with such ownership and governance information as Franchisor may reasonably require, including without limitation, the identity of the Principal Equity Holders in Franchisee, the percentage of ownership interest held by each Principal Equity Holder, and Franchisee's governing documents.

8.13 Guaranties. If Franchisee is a corporation, a limited partnership whose general partner is a corporation, or a limited liability company or other entity, each Principal Equity Holder of such corporation, limited partnership, limited liability company or other entity will: (i) approve this Agreement in writing; (ii) furnish any personal financial information reasonably requested by Franchisor; and (iii) execute Personal Guaranty attached to this Agreement as Exhibit 5 (the "**Guaranty**"), pursuant to which each shall personally guarantee Franchisee's payments and performance obligations under this Agreement, the Motor Fuel Agreement and any other related agreement entered into between Franchisee and Franchisor, or any Affiliate, and any agreement executed upon renewal. Persons or entities that subsequently become Principal Equity Holders will execute the Guaranty within thirty (30) days after becoming a Principal Equity Holder.

8.14 Initial Training. Prior to commencing business operations at the Circle K Business, Franchisee or Franchisee's operations manager and Franchisee's Business Manager must successfully complete the initial training program provided by Franchisor (the "**Training Program**"). Franchisee or Franchisee's operations manager and the Business Manager must demonstrate competence in, and a thorough understanding of, each individual training segment before progressing to the next training segment. The classroom component of the Training Program will consist of one (1) week of training and will be conducted at Franchisor's training facilities, currently located in Tempe, Arizona, and at such other locations as specified by Franchisor, and will cover the basic operating procedures of the Business System as described in the mandatory provisions of the Business Systems Manuals. Additionally, Franchisee will be required to complete in-store training of two (2) weeks at various Circle K businesses ("**Regional In-Store Training**"). If determined by Franchisor, Franchisee may be required to successfully complete additional in-store training, which may or may not overlap with the Regional In-Store Training. Franchisee must complete the Training Program no earlier than one hundred eighty (180) days prior to the opening of the Circle K Business. If the Training Program is completed more than one hundred eighty (180) days prior to the opening of the Circle K Business, Franchisee

will need to be recertified by Franchisor before Franchisor will approve the opening of the Circle K Business.

Any training provided by Franchisor to any of Franchisee's employees will be limited to training or guiding the employees regarding the provision of approved products and services to customers in a manner that reflects the customer service standards of the Circle K franchise system. Franchisee is, and will remain, the sole employer of its employees at all times, including during all training programs, and Franchisee is solely responsible for all employment decisions and actions related to its employees. Franchisee is solely responsible for ensuring that its employees receive adequate training.

8.15 Expenses. Franchisor will provide the Training Program to Franchisee or Franchisee's operations manager and one (1) Business Manager at no cost to Franchisee, except that Franchisee will be required to pay Franchisor's then-current fee for any third-party technology training and for the Regional In-Store Training. However, during the Training Program, Franchisee is responsible for all salaries, fringe benefits, payroll taxes, travel costs, lodging, food, and other personal expenses incurred by those attending the Training Program on Franchisee's behalf.

8.16 Opening Assistance. After Franchisee and Franchisee's Business Manager have successfully completed the Training Program, Franchisor will furnish a representative to the Circle K Business who will provide opening assistance and training to Franchisee and its employees as deemed necessary and appropriate by Franchisor, including, but not limited to, assistance with training employees, implementing the Business System, and evaluating initial business operations. Franchisee may not open the Circle K Business until Franchisor has given Franchisee written approval to open the Circle K Business.

8.17 Changes in Business Manager. If Franchisee hires a new or additional Business Manager, Franchisee is responsible to ensure that such new or additional Business Manager is adequately trained, which includes a complete review of the Business Systems Manuals and which may include successfully completing Franchisor's Training Program, at Franchisee's cost. Franchisee is also responsible for all travel, lodging, food, and other personal expenses incurred by all new or additional Business Managers attending the Training Program. All Franchisee Business Managers, including new or additional Business Managers, are required to be certified under the then-current Circle K training requirements by Franchisor within the first 90 days of employment by Franchisee, regardless of the method that Franchisee selects to conduct training.

8.18 Additional Training. Franchisor has the right to hold refresher and/or additional training programs for Franchisee and/or its Business Manager at a location or locations selected by Franchisor. Attendance at such additional training shall be mandatory for Franchisee so long as there is no tuition charged by Franchisor for such programs. Franchisee will be responsible for travel, lodging, food, and other personal expenses of those who attend on Franchisee's behalf. Notwithstanding the above, if Franchisee receives a written notice of default that relates, in whole or in part, to Franchisee's failure to meet any operational standards, Franchisor may require, as a condition of curing the default, that Franchisee and/or Franchisee's manager(s) re-attend and successfully complete the training program, at Franchisee's expense.

8.19 Employee Training. Notwithstanding any other provision of this Agreement, Franchisee, at its sole cost and expense, will be responsible for training its employees.

8.20 Annual Convention. Franchisor reserves the right to arrange for an annual convention sponsored and conducted by Franchisor for the benefit of all franchisees. If Franchisee and/or Franchisee's Business Manager attends any such convention, such attendance will be at Franchisee's sole cost and expense.

ARTICLE 9
CONFIDENTIAL BUSINESS SYSTEMS MANUALS AND OTHER INFORMATION

9.1 Compliance with Business Systems Manuals. Franchisor will provide Franchisee with one copy of Franchisor's business systems manuals, including but not limited to the Store Guides and Operations and Reference Manuals, the Card Guide and the Image Guide (collectively, the "**Business Systems Manuals**"), either electronically, on the Circle K franchise extranet or in hard copy format, which must be available at all times at the Franchised Location, and, if in hard copy format, returned by Franchisee to Franchisor upon expiration or termination of this Agreement. To protect the reputation and goodwill of Franchisor, and to maintain uniform operating standards under the Business System, Franchisee will at all times during the Term conduct business at the Circle K Business in accordance with the mandatory provisions of the Business Systems Manuals.

9.2 Revisions to Business Systems Manuals. The Business Systems Manuals will, at all times during the Term and thereafter, remain solely and exclusively Franchisor's intellectual property owned exclusively by Franchisor. Franchisor reserves the right to revise, combine or eliminate any part of the Business Systems Manuals at any time during the Term and Franchisee agrees to operate the Circle K Business in accordance with all such revisions. Franchisee will at all times keep the Business Systems Manuals current and up-to-date, and in the event of any dispute regarding the Business Systems Manuals, the terms of the master copy of the Business Systems Manuals maintained by Franchisor will be controlling in all respects.

9.3 Confidentiality. Franchisee will use all reasonable means to keep all Confidential Information secret and confidential. Franchisee will not copy any Confidential Information, or any portion thereof, except as approved by Franchisor in writing, and will only use Confidential Information as permitted under this Agreement. Franchisee will not, during the Term or thereafter, communicate, divulge or use for the benefit of any other person or entity any Confidential Information, except that Franchisee may divulge Confidential Information to those (and only those) of its employees who must have access to it in order to operate the Circle K Business and who have agreed in writing to maintain confidentiality of such information as required hereunder.

9.4 Inspection Rights. Franchisor or its designee will have the right at all reasonable times to access the premises of the Franchised Location electronically or in person (without being guilty of trespassing) in order to inspect the premises and observe Franchisee's operations (including any Additional Business operations) to ensure Franchisee's full and faithful compliance with the terms of this Agreement, the Motor Fuel Agreement, the mandatory provisions of the Business Systems Manuals and applicable laws, including laws pertaining to environmental protection. Franchisee may be required to bear the costs of such inspections if the inspections are

conducted by a third-party designee of Franchisor. Franchisor will have the absolute right to take photographs and videotapes of the interior and exterior of the Franchised Location and the Circle K Business premises (including, without limitation, employees, equipment, floors, ceilings, freezers, refrigerators, and other goods, fixtures, and equipment at the convenience store) at all reasonable times, to examine and photograph representative samples of foods, food items, goods and paper products sold or used at the Circle K Business, and to examine and evaluate the quality of the services provided by Franchisee to customers. Franchisor will have the right to use all photographs and videotapes of the Circle K Business for such purposes as Franchisor deems appropriate, including, but not limited to, use in training, advertising, marketing, promotional materials, public relations, and/or litigation. Franchisee will not be entitled to, and hereby expressly waives, any right that it may have to be compensated by Franchisor, its advertising agencies, or other Circle K franchisees for using photographs or videotapes in the manner described herein.

9.5 Key Individual. If Franchisee is a corporation or other entity, Franchisee shall designate a Key Individual to assist Franchisee in fulfilling its obligations under this Agreement and the Motor Fuel Agreement. The Key Individual must be identified in the signature page of this Agreement. The Key Individual must complete all required training. Any substitute Key Individual must be pre-approved in writing by Franchisor. FRANCHISOR'S FRANCHISE RELATIONSHIP IS EXCLUSIVELY WITH FRANCHISEE. NOTHING IN THIS AGREEMENT MAY BE CONSTRUED AS CREATING ANY FRANCHISE OR FRANCHISE RELATIONSHIP WITH THE KEY INDIVIDUAL OR ANY OWNER OF A CORPORATE/ENTITY FRANCHISEE.

9.6 Customer Data.

(a) Franchisor owns all Customer Information (as defined below) and Franchisee may only use Customer Information for the purpose of operating the Circle K Business to the extent permitted under this Agreement, including the Business System Manuals, during the term hereof and subject to such restrictions as Franchisor may from time to time impose and in compliance with all data privacy, security and other applicable laws. "**Customer Information**" means any contact information (including name, address, phone and fax numbers, and e-mail addresses), sales and payment history, and all other information about any customer, including any information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular individual or household. As used in this Agreement, the term "**customer**" refers to any person or entity (i) included on any marketing or customer lists that Franchisee develops or uses; (ii) who has purchased or purchases products or services at the Circle K Business; or (iii) whom Franchisee has solicited to purchase any products or services at the Circle K Business. Franchisor may use the Customer Information as it deems appropriate, including sharing it with its Affiliates.

(b) Without limiting the foregoing, Franchisee agrees to comply with applicable law in connection with its collection, storage and its use and Franchisor's use of such Customer Information, including, if required under applicable law, obtaining consents from customers to Franchisor's and its Affiliates' use of the Customer Information. Franchisee must comply with all laws and regulations relating to data protection, privacy

and security, including data breach response requirements ("**Privacy Laws**"), as well as data privacy and security policies, procedures and other requirements Franchisor may periodically establish. Franchisee must notify Franchisor immediately of any suspected data breach at or in connection with the Circle K Business. Franchisee must fully cooperate with Franchisor and its counsel in determining the most effective way to meet Franchisor's standards and policies pertaining to Privacy Laws within the bounds of applicable law. Franchisee is responsible for any financial losses it incurs or remedial actions that it must take as a result of breach of security or unauthorized access to Customer Information in Franchisee's control or possession.

(c) If any federal or state Privacy Law, including the California Consumer Privacy Act ("**CCPA**"), or as revised and when in effect, the California Consumer Privacy Rights Act ("**CPRA**") Cal. Civ. Code § 1798.100, et seq., applies to the operation of the Circle K Business, whenever and to the extent Franchisee operates as a "Service Provider" under the CCPA, a "Contractor" under the CPRA, a data processor, or in a similar capacity under any federal or state Privacy Law, Franchisee represents and warrants that:

(1) Except for the purpose of operating the Circle K Business and in accordance with the Business System Manuals, Franchisee will not retain, use, combine or disclose any Customer Information;

(2) Franchisee will not sell, make available or otherwise disclose any Customer Information to any third party for valuable consideration or for the purpose of performing cross-context behavioral advertising;

(3) Franchisee will not retain, use, or disclose Customer Information outside of the direct business relationship between Franchisee and Franchisor;

(4) Franchisee will delete any Customer Information upon Franchisor's request unless Franchisee can prove that such request is subject to an exception under applicable law; and

(5) If Franchisee receives a Customer Information data request (e.g. a request to delete Customer Information) directly from a consumer (e.g., a California resident under the CCPA or CPRA, or a resident of another jurisdiction under other applicable Privacy Law), Franchisee shall inform Franchisor of that request within one business day and cooperate with Franchisor to ensure that the consumer receives an appropriate and timely acknowledgement and response. As an example, currently under the CCPA, an acknowledgement is typically required within 10 business days and a final response is required within 45 calendar days.

(d) Franchisee certifies that it understands the restrictions in Paragraphs (1) – (5) of section 9.6(c) and will comply with them. Franchisee also acknowledges and agrees that Franchisor may modify these restrictions from time to time by written notice to Franchisee, by issuing updates to Franchisor's standards and policies pertaining to Privacy Laws, including by adding other similar restrictions that may be required under other state or federal Privacy Laws, and Franchisee agrees to comply with the same. Franchisee also

agrees to execute any addenda that Franchisor may determine are required to conform this Agreement to new or changed Privacy Laws.

To the extent that Franchisee engages a third party to collect, use, sell, store, disclose, analyze, delete, modify, or to otherwise perform any processing of Customer Information for the purpose of operating the Circle K Business (a "**Subprocessor**"), Franchisee will notify Franchisor of such engagement, which shall be governed by a written contract that includes the same restrictions as in Paragraphs (1) – (5) of section 9.6(c) and imposes reasonable confidentiality obligations on the Subprocessor.

9.7 Ethical Business Conduct. Franchisee agrees to adhere to good business practices, observing high standards of honesty, integrity, fair dealing and ethical business conduct and good faith in all business dealings with customers, vendors, Franchisee's employees, Franchisor's corporate employees, and all other Circle K franchisees. Franchisee must not engage in deceptive, misleading or unethical practices or conduct that may have a negative impact on the reputation and goodwill associated with the Marks.

9.8 Crisis Situations. In the interest of protecting the Circle K brand, the Marks and the Business System, Franchisor has the sole and absolute right to determine a response, including what steps will be taken and what communications will be made, in instances of a Crisis, and Franchisee agrees to comply with and implement Franchisor's directions in response to a Crisis. "**Crisis**" means an event or development that negatively impacts the Circle K brand or the Business System in such a way that Franchisor determines may cause substantial harm or injury to the Marks, the Business System, or the reputation or image of the Circle K brand.

ARTICLE 10
NON-COMPETITION

10.1 Covenant Not to Compete. Franchisee, on behalf of itself, its owners and Affiliates, and the Guarantors: (A) acknowledges that, pursuant to this Agreement, Franchisee's owners, principals or officers, and employees will receive specialized training from Franchisor and access to Franchisor's research and development, trade secrets and other Confidential Information pertaining to the Business System and the operation of the Circle K Business; and (B) agree that they will not, during the Term of this Agreement, on their own account or as an employee, agent, consultant, partner, manager, officer, director, owner or other representative of any other person, firm, partnership, corporation or other entity, own, operate, lease, franchise, conduct, engage in, advise, be connected with, have any interest in, or assist any person or entity engaged in, any other convenience retail business, with or without a car wash and/or a motor fuel station, or other related business that is in any way competitive with or similar to Circle K businesses, that is located within two (2) miles of any Circle K business, except with the prior written consent of Franchisor.

ARTICLE 11
ELECTRONIC POINT OF SALE SYSTEM; REPORTS, INSPECTIONS AND FINANCIAL STATEMENTS

11.1 EPOS System, Computer Systems and Internet Access. Franchisee shall purchase, install and maintain, at Franchisee's expense, an electronic point-of-sale cash register system, designated by Franchisor that meets standards and specifications established by Franchisor, as modified by Franchisor from time to time in response to business, operations and marketing conditions (the "**EPOS System**"). In addition to the EPOS System, Franchisee must purchase, install and maintain, at its expense, a back-office computer system, including without limitation both hardware and software, or other existing or future communication or data storage systems, designated by Franchisor which meet standards and specifications established by Franchisor, as modified by Franchisor from time to time in response to business, operations and marketing conditions (collectively "**Computer Systems**"). Franchisee must purchase the EPOS System and any required Computer Systems from a source or sources designated by Franchisor. Franchisor has the right to designate a single source from whom Franchisee must purchase the EPOS System or any required Computer Systems, any components thereof or associated service. Franchisee agrees that Franchisor will have full, including electronic, access to Franchisee's EPOS System and any required Computer Systems and the sales-related data and information these systems collect and store at all times, in order for Franchisor to have the ability to monitor Franchisee's daily sales and business activity. Franchisee also agrees to purchase, install and maintain one or more additional DSL or high-speed lines or other future required communication access device designated exclusively for the EPOS System and any required Computer Systems. Franchisor has the right to designate the specifications of any future required communication access device. Franchisee agrees to transmit daily item level sales data through the Franchisor approved Back Office System on a daily basis via the DSL or high-speed internet line, or other future required communication access device, in accordance with Franchisor's transmission protocol. In addition, Franchisee agrees that at all times Franchisee shall have high speed internet access through an established service provider, maintain an active e-mail account on the internet, and keep Franchisor informed of the e-mail address for such account. Franchisor's proprietary software will be licensed to Franchisee pursuant to the Electronic Point of Sale and Software Agreement attached hereto as Exhibit 2 (the "**Software Agreement**"), which Franchisee is required to execute, and Franchisee will be required to pay a periodic fee set forth in the Software Agreement. Franchisee will be solely responsible for performing all recordkeeping duties and all such records will be maintained according to the mandatory provisions of the Business Systems Manuals. Franchisor reserves the right to require Franchisee to enter into a separate agreement with a third party designated by Franchisor covering the use and maintenance of the systems required for the Circle K Business, including the EPOS System and/or any other Computer Systems or communication software Franchisor deems necessary to operate the Circle K Business or to collect data from the Circle K Business. Franchisee acknowledges and agrees that it will not be excused from performing any of its obligations hereunder as a result of the failure or malfunction of either the EPOS System or the Computer Systems. It is Franchisee's responsibility to make sure that it is in compliance with all laws that are applicable to the EPOS System or other technology used in the operation of Franchisee's Circle K Business, including all data protection or security laws as well as payment card industry (PCI) and Europay, MasterCard and Visa (EMV) compliance.

11.2 Participation in Website or Other Online Communication Systems. Franchisor has the right to require Franchisee, at Franchisee's expense, to participate in a "Circle K" extranet website or other online communication systems. Franchisor has the right to determine the content and use of any websites or other online communication systems and will establish the rules under which its franchisees (including Franchisee) will participate. Franchisor will retain all rights relating to any website or other online communication systems and may alter or terminate the site or systems. Franchisee's use of and general conduct on any website or other online communication systems, including on any social media accounts, specifically its use of the Marks, domain names or any advertising on any website, online communication systems or social media accounts, is subject to the provisions of this Agreement. Franchisee acknowledges that certain information obtained through its participation in the extranet website or other online communication systems may be considered confidential information, including access and identification codes. Franchisee's right to participate in any website or other online communication systems (including social media accounts) or otherwise use the Marks or the Business System on the internet terminates when this Agreement expires or terminates.

11.3 Franchisor Access to Data; Reports; Financial Statements. Franchisor will have ownership of, and direct and full access to, all Circle K Business sales-related data and related information by such means as Franchisor may from time to time require, including without limitation, via third party vendors, direct access telephone, data transmission lines, or modem, and Franchisor may use same to the extent permitted by applicable law. Simultaneously with the payment of Royalty Fees hereunder, Franchisee will submit to Franchisor, electronically or otherwise in writing as required by Franchisor, Circle K Business sales reports that include an itemization by product/service category as required by Franchisor (e.g., merchandise sales, lottery sales, money order sales, motor fuel sales, car wash sales, etc.) for sales made during the previous Accounting Period from the Circle K Business, which reports shall include calculation of Gross Sales, Motor Fuel Sales and Royalty Fees, Co-Branded Fees and Promotional Fees, in such format and with such level of detail as required by Franchisor. In addition, Franchisee is required to provide Franchisor with Franchisee's monthly profit and loss statements in a format prescribed by Franchisor. Such profit and loss statements (which shall include both the relevant month and year-to-date periods) must be submitted to Franchisor within 45 days of each month-end. Additionally, Franchisee is required on a periodic basis to provide to Franchisor financial statements prepared in accordance with U.S. Generally Accepted Accounting Principles or in accordance with the federal income tax basis of accounting. All reporting requirements are more fully set forth in the mandatory provisions of the Business Systems Manuals.

11.4 Franchisor's Audit Rights. Within 48 hours after receiving notice from Franchisor, Franchisee will make all of its financial records, books, ledgers, work papers, accounts, bank statements, tax returns, sales tax returns, and other financial information pertaining to the Circle K Business (including any Additional Business) (collectively, "**Books and Records**") available to Franchisor at all reasonable times for review and audit by Franchisor or its designee, and Franchisee will fully cooperate with Franchisor in connection with the audit. Without limiting the foregoing, as part of the audit, Franchisor has the right to evaluate, remotely or at the Circle K Business premises, Franchisee's compliance with its obligations regarding Customer Information. The Books and Records for each fiscal year will be kept in a secure place by Franchisee and will be available for audit by Franchisor for at least five (5) years from the termination, expiration, or Transfer of this Agreement. If an audit by Franchisor determines that the actual Gross Sales or

Motor Fuel Sales were understated by Franchisee by more than two percent (2%), then Franchisee will immediately pay to Franchisor any identified deficiency in Royalty Fees, Promotional Fees, or other amounts owed to Franchisor hereunder (plus interest as provided in Section 5.8), and will reimburse Franchisor for all costs and expenses incurred by Franchisor in connection with the audit (including salaries of Franchisor's employees or designees, travel costs, room and board, and audit fees).

11.5 Tax Returns. Upon Franchisor's request, Franchisee will provide Franchisor with a true and complete copy of all federal, state, and local sales and income tax returns relating to the Circle K Business (including any Additional Business), and Franchisee hereby waives any privilege pertaining thereto.

11.6 Accounting Forms. Franchisee will, at its own expense, use such bookkeeping and recording forms, sales slips, invoices, purchase order forms, reprints, and other miscellaneous operating forms in the operation of the Circle K Business as Franchisor may require from time to time.

11.7 Delinquent Reports. If Franchisee fails to provide to Franchisor when due any sales, financial statement, or other reports that Franchisee is obligated to provide to Franchisor, and such failure continues for a period of ten (10) days past the due date, (a) Franchisee will pay to Franchisor a late fee with respect to each such report in the amount of Twenty-Five Dollars ($25.00) per day beginning with the eleventh (11) day after the date due and (b) Franchisor may, but is not obligated to, charge Franchisee for such Accounting Period the Royalty Fees, Co-Branded Fees and Promotional Fees that were due for the most recent Accounting Period for which the required reports and sales information were submitted. If Franchisee subsequently submits the missing report/sales information, Franchisor shall reconcile the amounts actually collected from Franchisee against amounts owed for the relevant time period and either issue a corresponding credit to Franchisee or charge Franchisee an additional amount. The imposition of late reporting fees will be in addition to, and not in lieu of, any other remedy available to Franchisor for failure to report.

ARTICLE 12
SERVICES PROVIDED BY FRANCHISOR

12.1 Franchisor's Services. Consistent with Franchisor's uniformity requirements and quality standards, Franchisor or its authorized representative may, at its sole cost and expense:

(A) provide Franchisee with a written schedule of all furniture, fixtures, supplies and equipment necessary and required for the operation of the Circle K Business, and, upon Franchisee's request, provide Franchisee with recommendations regarding obtaining products, securing vendors, and establishing purchasing, selling, and pricing strategies (Franchisor may, from time to time, make suggestions to Franchisee with regard to pricing policies. Although Franchisee generally has the right to establish prices for the products and services it sells, Franchisor reserves the right to establish and enforce prices, both minimum and maximum, to the extent permitted by applicable law.);

(B) inspect the Circle K Business (including any Additional Business), from time to time as Franchisor determines, at any time during hours that the Circle K Business is required to be open for the purpose of determining whether the Circle K Business (and/or such Additional Business) is being operated in conformity with this Agreement and the mandatory provisions of the Business Systems Manuals. Franchisor also reserves the right to hire independent professional shoppers to provide an evaluation of the Circle K Business (and/or Additional Business) operations. Upon notice from Franchisor, Franchisee will immediately take such steps as may be necessary to correct deficiencies detected during any such inspections, including, without limitation, immediately desisting from the further use of any equipment, advertising materials, products, supplies, or methods and services that do not conform to Franchisor's then-current standards and specifications. If Franchisee fails to operate the Circle K Business (and/or such Additional Business) in conformity with this Agreement and the mandatory provisions of the Business Systems Manuals and fails to promptly remedy any non-compliance after being advised of the same by Franchisor, Franchisor will have the right to terminate this Agreement (or Franchisee's right to operate the Additional Business, as applicable) without providing any further right to cure such non-compliance. In addition, Franchisee will reimburse Franchisor for any expenses incurred by Franchisor to fix, correct, or remedy any deficiencies found in Franchisee's operations;

(C) upon Franchisee's request, assist Franchisee in preparing or otherwise developing Franchisee's own advertising programs;

(D) render advisory services from time to time pertaining to the operation of the Circle K Business; and

(E) provide Franchisee with access to the Business Systems Manuals, either electronically, on the Circle K franchise extranet or in hard copy format, as determined by Franchisor.

12.2 Third-Party Management Firm. Franchisor may select a third-party management firm to assist Franchisee with the development and construction of the Circle K Business. The services provided by this third-party management firm will vary depending on the construction and equipment needed to construct or convert the Circle K Business convenience store to the Business Systems' standards and requirements. Franchisee will be responsible for all costs associated with the use of the management firm, a portion of which costs will be covered by the Funding, if applicable, as determined by Franchisor.

ARTICLE 13
INSURANCE

13.1 General Liability. Franchisee will procure and maintain in full force and effect, at its sole cost and expense, Commercial General Liability coverage insuring Franchisee from and against any and all loss, liability, claim or expense of any kind whatsoever associated with the operation, condition, use, business or occupancy of the Circle K Business and the Franchised Location. The Commercial General Liability policy will cover bodily injury, personal injury, property damage, fire, explosion and collapse liability, contractual liability, products liability, premises liability, coverage on all contractor's equipment owned, hired or used in connection with

this Agreement or the Motor Fuel Agreement, advertising liability and completed operations. This coverage will include the surrounding premises or area, the parking area, and the sidewalks of the Franchised Location. Minimum limits for these coverages will be One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) aggregate. If Franchisee operates, or permits the operation of, a service bay and/or car wash at the Franchised Location, Franchisee must also procure and maintain Legal Liability Insurance covering fire, theft or collision, with a minimum limit of $500,000 per occurrence and coverage in the general aggregate amount of no less than $1,000,000.

13.2 Business Automobile. Franchisee will procure and maintain in full force and effect, at its sole cost and expense, comprehensive automobile liability coverage insuring Franchisee from and against any and all loss, liability, claim or expense resulting from the use, operation or maintenance of any automobile or motor vehicle owned, non-owned or leased by Franchisee or used by Franchisee or any of its employees or agents in connection with the Circle K Business. Minimum limits for these coverages will be One Million Dollars ($1,000,000) for bodily injury and property damage, including personal injury, per occurrence, including MCS 90 endorsement or other acceptable evidence of financial responsibility as required by the Motor Carrier Act of 1980 and the Pollution Liability Broadened Coverage endorsement.

13.3 Umbrella or Excess. Franchisee will procure and maintain in full force and effect, at its sole cost and expense, Umbrella or Excess Insurance of at least One Million Dollars ($1,000,000).

13.4 Commercial Property. Franchisee will, where appropriate, also maintain "all risk", full replacement cost coverage for buildings (if applicable), machinery and equipment, including boiler coverage (if applicable), fixtures, furnishings, inventory, including spoilage and contamination, signs, and property of others in the care, custody, and control of Franchisee. Business interruption insurance for a minimum of six (6) months and extra expense coverage must also be included.

13.5 Liquor Liability. If Franchisee sells any alcoholic beverages, Franchisee will procure and maintain in full force and effect, at its sole cost and expense, Liquor Liability Insurance Coverage insuring Franchisee from and against any and all loss, liability, claim or expense of any kind whatsoever associated with the sale or distribution of any alcoholic beverages. The minimum limit for this coverage will be at least One Million Dollars ($1,000,000) per occurrence with an aggregate of Two Million Dollars ($2,000,000).

13.6 Insurance Required By Law. Franchisee will, at its sole cost and expense, procure and pay for all other insurance required by state or federal law, including workers' compensation insurance (whether or not workers' compensation insurance is required by the state in which the Circle K Business is located) with Employers Liability limits of at least Five Hundred Thousand Dollars ($500,000) per occurrence.

13.7 Environmental Pollution/Impairment Insurance. Franchisee will, at its sole cost and expense, procure and pay for environmental pollution/impairment insurance coverage in an amount of at least $1,000,000 on a continuous and uninterrupted basis insuring Franchisee for all environmental liabilities arising out of, but not limited to, the storage, handling, dispensing, and/or

sale of motor fuel products and lubricants at the Franchised Location, and/or the ownership and operation of Franchisee's business at the Franchised Location. Such environmental/pollution impairment coverage shall extend at least two (2) years beyond the expiration, termination, or nonrenewal of this Agreement. Without in any way limiting the obligation of Franchisee to indemnify Franchisor as specified herein or to provide insurance with respect to operations performed pursuant to this Agreement, as further specified above, Franchisee shall, at all times, comply with all Federal, State and local laws applicable to the ownership and operation of commercial underground storage tanks ("USTs"), including but not limited to requirements to maintain financial assurance for the USTs. The financial assurance obligation may be satisfied through participation in state administered UST funds, or where no such UST funds are applicable or available, then commercial UST insurance shall be maintained in accordance with applicable financial assurance requirements. If Franchisee elects to maintain financial assurance through another means (e.g., self-insurance or standby trust), Franchisee must provide evidence of same to Franchisor.

13.8 Other Insurance. Franchisee will, at its sole cost and expense, also procure and maintain all insurance required under the Lease and any mortgage, deed of trust, contract for deed or any other contract in connection with the Franchised Location or the Circle K Business.

13.9 Minimum Requirements. Franchisee acknowledges that the foregoing are minimum requested insurance requirements, and Franchisor in no way suggests or represents itself as a professional insurance advisor.

13.10 Additional Insured. The insurance policies required above, except for Workers' Compensation and Employer's Liability Insurance, shall name Franchisor and its Affiliates, and their respective agents, assigns, employees, directors and officers as additional insureds. Additional insured status shall include, without limitation, coverage for ongoing and completed operations. The additional insured endorsement form shall be ISO CG 20-26 or any other form that provides comparable coverage and is approved in writing by Franchisor. Additional insured coverage shall not be limited to vicarious liability and shall extend to (and there shall be no endorsement limiting coverage for) the negligent acts, errors or omissions of Franchisor or other additional insureds. Franchisee shall maintain such additional insured status for Franchisor and the other additional insureds on its insurance policies continuously during the Term.

13.11 Certificate of Insurance. Franchisee shall provide to Franchisor or Franchisor's designee a certificate of insurance prior to the Open Date and throughout the Term (upon Franchisor's request and upon each renewal of an insurance policy) demonstrating compliance with the requirements of this Article 13. Franchisor's failure to demand delivery of a certificate shall not be a waiver by Franchisor of Franchisee's obligation to furnish either a complying certificate or the required insurance coverage.

13.12 Subcontractors and Approved Third-Party Operators. Franchisee shall ensure that all vendors hired to help Franchisee fulfill its obligations under this Agreement and any Approved Third-Party Operators have adequate insurance. Franchisee shall be responsible for the actions or inactions of all vendors and any Approved Third-Party Operators. The term "**vendors**" shall mean and include any individual or entity hired by Franchisee to assist Franchisee to perform any of Franchisee's duties under this Agreement.

13.13 Waiver of Subrogation. The Workers' Compensation and Employer's Liability insurance policy shall include a waiver of subrogation in favor of Franchisor.

13.14 Cross Liability. All insurance policies required shall include a cross-liability and severability of interest clauses applicable to Franchisor, providing coverage for claims by one insured against another insured and coverage to one insured regardless of the actions of the other insureds.

13.15 Primary Coverage. All insurance policies shall include a clause expressly providing that such policies are primary insurance and not excess over or contributory with any other valid, existing or applicable insurance carried by Franchisor, its Affiliates, agents, employees, directors and officers.

13.16 Policy Cancellation. Franchisee's insurance shall provide for thirty (30) days' written notice to all named and additional insureds of any cancellation or material change to the insurance contracts.

13.17 Policy Rating. Franchisee shall obtain required insurance policies from insurers that are acceptable to Franchisor, which shall include only those insurers licensed (admitted) in the state or states within which this Agreement is to be performed, and with an A.M. Best Rating of A- VIII or better.

13.18 Financial Responsibility. Franchisee shall be responsible for all deductibles under the required policies of insurance. Franchisor may permit self-insurance by prior written approval. Franchisor shall have the exclusive right to accept or deny Franchisee's request to self-insure.

13.19 Obligations. The insurance required by this Agreement shall not limit or restrict Franchisee's defense and indemnity obligations to Franchisor. Conversely, the insurance requirements of this Agreement shall not be limited or restricted by any legal limitation on the obligations of Franchisee to indemnify Franchisor. Franchisee's obligation to obtain and maintain the foregoing policies in the amounts specified shall not be limited in any way by reason of any insurance that may be maintained by Franchisor.

ARTICLE 14
DEFAULT; TERMINATION RIGHTS

14.1 Franchisor's Immediate Termination Right Without Notice. This Agreement will automatically terminate, without notice, and without Franchisee being afforded an opportunity to cure, if: (a) Franchisee, any Guarantor, or any of their Affiliates makes an assignment for the benefit of creditors, files a voluntary petition in bankruptcy, is adjudicated bankrupt or insolvent, files or acquiesces in the filing of a petition seeking reorganization or arrangement under any federal or state bankruptcy or insolvency law, or consents or acquiesces in the appointment of a trustee or receiver for Franchisee, such Guarantor, Affiliate or the Circle K Business, (b) proceedings are commenced to have Franchisee or any such other person or entity adjudicated bankrupt or to seek a reorganization of any such person or entity under any state or federal bankruptcy or insolvency law and such proceedings are not dismissed within sixty (60) days, or (c) a trustee or receiver is appointed for Franchisee, or any such other person or entity, or the Circle

K Business, without such person or entity's consent and the appointment is not vacated within sixty (60) days.

14.2 Franchisor's Immediate Termination Rights With Notice. Franchisee will be in a material breach of this Agreement, and Franchisor may, at its option, terminate this Agreement and all rights granted to Franchisee hereunder at any time during the Term without prejudice to Franchisor's enforcement of any other legal right or remedy, immediately upon giving written notice of such termination and the reason(s) therefor, and without providing Franchisee an opportunity to cure, effective immediately upon Franchisee's receipt of the notice of termination, upon the occurrence of any of the following events:

(A) Franchisee's Failure to Meet Initial Qualifications. If Franchisor determines that: (i) any financial, personal or other information provided by Franchisee to Franchisor is materially false, misleading, incomplete or inaccurate; or (ii) Franchisee lacks the requisite business experience or is otherwise determined to be incapable of properly managing the Circle K Business.

(B) Abandonment. Franchisee fails to keep the Franchised Location open for business during the hours set forth in Section 8.3(B) for a continuous period of three (3) or more consecutive days (or for any shorter period after which it is not unreasonable for Franchisor to conclude that Franchisee does not intend to continue the operation of the Franchised Location) unless the Franchised Location is closed by reason of an event beyond the control of Franchisee and not caused directly or indirectly by Franchisee's negligence, willful misconduct, or financial inability, or unless Franchisor has consented in writing to said closing.

(C) Misconduct. Franchisee makes any material misrepresentation in this Agreement or in any documents, interviews, or business discussions relating to Franchisee's acquisition of the Circle K Business, or Franchisee engages in conduct that reflects materially and unfavorably upon the reputation of the Business System.

(D) Multiple Defaults. Franchisee materially defaults under this Agreement or commits breaches under this Agreement on three (3) or more occasions in any eighteen (18) month period, regardless of whether such defaults or breaches are cured, or if Franchisee fails to materially operate the Circle K Business in accordance with the mandatory provisions of the Business Systems Manuals and fails to promptly conform to the standards specified therein.

(E) Seizure. The Circle K Business, the Franchised Location, this Agreement, the Motor Fuel Agreement, or any assets relating to the Circle K Business are seized, taken over, or foreclosed by a government official in the exercise of his duties, or by a creditor, lien holder, or lessor, provided a final judgment against Franchisee remains unsatisfied for thirty (30) days (unless a bond has been filed), or if a levy of execution or other judicial seizure is made on any such property and is not discharged within five (5) days.

(F) Criminal Acts. If Franchisee, any owner of Franchisee or any Affiliate of Franchisee is convicted of or pleads nolo contendere to a felony, any crime involving moral turpitude, or other misconduct relevant to the operation of the Circle K Business or injurious to the reputation of the Business System.

(G) Expiration or Termination of the Lease/Sublease. If the Lease (or any underlying lease related to the Franchised Location) is cancelled, expires or is terminated and not renewed.

(H) Violation of Law. Franchisee permits a violation of any law, ordinance, rule, or regulation of a governmental agency to continue for more than ten (10) days, in the absence of a good faith dispute over its application or legality and without promptly resorting to an appropriate administrative or judicial forum for relief therefrom.

(I) Misuse of Marks. Franchisee misuses or makes any unauthorized use of the Marks or any other identifying characteristic of the Business System, or otherwise materially impairs the goodwill associated therewith or Franchisor's rights therein.

(J) Understatement of Gross Sales; False Reports. Franchisee intentionally understates Gross Sales or Motor Fuel Sales by two percent (2%) or more in any sales report or if Franchisee falsely reports information required to be reported to Franchisor.

(K) Unauthorized Transfer. Franchisee purports to transfer any rights or obligations arising under this Agreement to any third party without Franchisor's prior written consent and in compliance with the terms hereof, including, but not limited to, any unapproved transfer by operation of law.

(L) Construction/Opening. Franchisee fails to construct and open the Circle K Business in accordance with Section 2.1 and Article 7.

(M) Termination of Another Agreement with Franchisor or Its Affiliate. Another agreement between Franchisee (or its Affiliate) and Franchisor (or its Affiliate), including, without limitation, the Motor Fuel Agreement, is terminated due to Franchisee's (or its Affiliate's) default under such agreement.

14.3 Other Conditions of Breach. In addition to the other rights of termination contained in this Agreement, Franchisee will be in material breach of this Agreement for any failure to comply substantially with any of the terms or conditions of this Agreement or the Motor Fuel Agreement, or to carry out the terms and conditions of this Agreement and the Motor Fuel Agreement in good faith. Such material breaches will include, but are not limited to, the occurrence of any of the following events:

(A) Non-Payment of Fees. If Franchisee fails, refuses, or neglects to promptly pay when due any monies owing to Franchisor or any of its Affiliates, or if Franchisee fails to satisfy any third-party obligations with respect to the operation of the Circle K Business, Franchisee must remit such monies to Franchisor or satisfy such third-party obligations, as the case may be, within five (5) days after receiving notice from Franchisor of the same.

(B) Reports and Financial Statements. If Franchisee fails to submit any Circle K Business report or any financial statement required by Franchisor when due or upon a request therefor from Franchisor.

(C) Breach of Other Agreements. If Franchisee fails to comply with the terms of this Agreement, the Motor Fuel Agreement or any other related agreement with Franchisor or any Affiliate for the Franchised Location, including without limitation, any financing agreements or the Software Agreement.

(D) Required Training. If Franchisee or Franchisee's Business Manager fails to successfully complete any required training programs to the satisfaction of Franchisor.

(E) Operations. If Franchisee fails to maintain or operate the Circle K Business in accordance with the specifications contained in the mandatory provisions of the Business Systems Manuals, or in a clean, orderly, and safe manner.

(F) Lapse of Insurance. Any required insurance coverage of the Circle K Business lapses for a period of more than five (5) days for any reason. In any such case, Franchisor shall have the right to obtain the types and amounts of insurance coverage specified in Article 13 hereof and charge the cost and expense for any such premiums to Franchisee's account.

(G) Failure to Obtain Permits or Licenses. Franchisee fails to obtain any necessary permits or licenses required for the operation of the Circle K Business, including but not limited to, the sale of liquor or tobacco, or such permits or licenses are suspended or canceled.

(H) Sale of Tobacco or Alcohol to Minors. The Circle K Business violates the youth access laws with respect to the sale of tobacco and/or alcohol to underage persons or Franchisee fails to notify Franchisor within five (5) days, in writing, of any notices of violation received from local, state, or federal authorities concerning the sale of tobacco and/or alcohol to minors.

(I) Operation of Additional Business without Approval. Franchisee opens and operates an Additional Business without Franchisor's prior approval in violation of Section 5.3.

14.4 Notice of Breach; Cure Period; Termination. Franchisor shall have the right to terminate this Agreement if Franchisee has failed to cure the alleged breach specified in Section 14.3 within the applicable cure period specifically provided for in Section 14.3, or within thirty (30) days (for breaches described in Section 14.3 where a cure period is not specified in Section 14.3), as applicable, after receipt of a written notice of default from Franchisor, subject to Section 14.5.

14.5 Extended Cure Period. If Franchisee breaches any provision of this Agreement which permits a cure period, but the default by its nature cannot reasonably be cured within the time allotted for cure, Franchisee will be entitled to such additional time to cure the alleged breach as Franchisor deems reasonable. Franchisee will not be entitled to an extension as provided in this Section 14.5 if the default or delay is caused, directly or indirectly, by Franchisee's financial inability, negligence or willful misconduct. In addition, if any law applicable to this Agreement requires additional notice or a longer notice period than specified herein, this Agreement will be deemed to be automatically amended to conform to the requirements of such law.

14.6 Cross-Default with Related Agreements. At Franchisor's election, any default by Franchisee under this Agreement may simultaneously constitute a default by Franchisee of each

and every other related agreement with Franchisor or any Affiliate for the Franchised Location, including, but not limited to the Motor Fuel Agreement, any financing agreements and the Software Agreement, regardless of whether such other agreements may in fact be properly and fully performed by Franchisee. Further, at Franchisor's election, any default by Franchisee under the Motor Fuel Agreement or any other agreement between Franchisee and Franchisor may simultaneously constitute a default by Franchisee under this Agreement notwithstanding that at such time Franchisee may be fully and promptly performing its obligations hereunder.

14.7 Rights and Obligations upon Expiration or Termination. Upon expiration or termination of this Agreement for any reason, Franchisee will:

(A) within five (5) days, pay all Royalty Fees, Promotional Fees, and any other amounts owed to Franchisor, suppliers, or vendors, including the outstanding principal amounts and accrued interest on any notes or evidences of indebtedness of Franchisee payable to Franchisor or any Affiliates. The payment to Franchisor of all amounts owing will be accelerated on all debt obligations which had been the subject of payment schedules even if payment was then being made promptly according to the agreed schedule. Franchisee hereby grants to Franchisor a lien and security interest against any and all personal property, equipment, and fixtures owned by Franchisee and used in connection with the Circle K Business as security for the payment of such obligations;

(B) immediately pay, as fair and reasonable liquidated damages ("**Liquidated Damages**"), an amount equal to (i) the lesser of (x) 52 or (y) the remaining number of Accounting Periods under the Term, *multiplied by* (ii) the average Royalty Fee payments per Accounting Period (calculated in accordance with Section 5.2) payable by Franchisee hereunder for the 13 Accounting Periods preceding the termination (during which time the Franchisee was in Good Standing under this Agreement), or for a shorter period commencing with the Effective Date of this Agreement if this Agreement is terminated in the first 13 Accounting Periods of the Term. If the Circle K Business has never been opened and therefore has no history of Royalty Fee payments, the Liquidated Damages will be calculated based on the average Gross Sales and Motor Fuel Sales per Accounting Period of all Circle K franchised businesses located in the state where the Franchised Location is located for the 13 Accounting Periods immediately preceding the termination. If there are no Circle K franchised businesses located in such state, the calculation will be based on the average Gross Sales and Motor Fuel Sales per Accounting Period of all Circle K franchised businesses located in the United States. Notwithstanding the foregoing, in any and all cases, the average Royalty Fee payment amount per Accounting Period used in the Liquidated Damages calculation shall be no less than $1,500 since that is the minimum required Royalty Fee per Accounting Period. Franchisor and Franchisee acknowledge and agree that the termination of this Agreement will result in Franchisor incurring damages based on lost revenues from Royalty Fees and other amounts payable by Franchisee and the potential loss of goodwill if the Franchised Location is no longer a Circle K Business, and that it will be difficult to calculate with certainty the amount of damages Franchisor will incur. The provisions of this Section 14.7(B) do not apply if the Agreement expires at the end of its initial Term or is terminated due to (i) Franchisee's (or if Franchisee is an entity, Principal Equity Holder's) death; (ii) Franchisee's (or if Franchisee is an entity, Principal Equity Holder's) incapacity for at least 90 consecutive days, in either case which event results in Franchisee's (or if Franchisee is an entity, Principal Equity Holder's) inability to personally operate the Circle K Business; (iii) condemnation or other taking, in whole or in part,

of the Franchised Location due to eminent domain; (iv) destruction of all or a substantial part of the Franchised Location through no fault of Franchisee; or (v) a determination made by Franchisor in good faith and in the normal course of business to withdraw from marketing in the geographical area in which the Circle K Business is located. Notwithstanding the foregoing, if a court determines that the payment under this Section 14.7(B) is unenforceable, then Franchisor may pursue all other available remedies, including consequential damages to the extent proved;

(C) immediately discontinue all use of the Marks and the Business System. Franchisee will cease displaying and using, and will return to Franchisor, all copies of the Business Systems Manuals, other Confidential Information, all signs, stationery, letterheads, forms, printed matter, electronically stored data, advertising, and other materials required to be returned in accordance with this Agreement, and will cease using the Marks and any name, logo, slogans, or symbols or other designations that may mislead or confuse the public or suggest association between Franchisee and Franchisor or the Business System, except only to the extent that the Marks appear as labels or identification of products, inventory or other Business Assets that are being purchased by Franchisor under Section 16.1. Franchisee will not thereafter operate, advertise, or do business under any name or in any manner in violation of this Section 14.7. Franchisee will promptly make reasonable modifications to the exterior and interior of the Franchised Location to eliminate Franchisee's former identification as a franchisee of Franchisor, including, but not limited to, removing all signs that contain the Marks; provided, however, that Franchisor may waive (partially or entirely) this requirement if Franchisor is exercising its rights under Section 14.7(D). Subject to Section 14.7(D), if Franchisee fails to debrand the interior or exterior of the Franchised Location to Franchisor's satisfaction, Franchisor may hire a third party to complete the debrand of the Franchised Location and Franchisor will charge Franchisee for all costs associated with the debranding process. Franchisee will promptly execute and file an assignment of its fictitious business name and any other similar filings and take such additional actions as may be necessary to abandon use of any fictitious business name and any social media account containing or using any of the Marks. At Franchisor's request, Franchisee will assign to Franchisor or its nominee all telephone numbers and listings, including social media accounts, used in the Circle K Business. Franchisee will, immediately upon Franchisor's request so that Franchisor may protect its interest in the Marks and the Confidential Information, permit Franchisor or its designees to access the Franchised Location to remove the signage owned by Franchisor and any other signage or materials containing the Marks and otherwise to secure Franchisee's compliance with this Section 14.7. If Franchisee continues to operate a convenience store business, car wash station and/or motor fuel station at the Franchised Location after the termination of this Agreement, Franchisee will prominently display a notice to the public on the premises for a period of not less than six (6) months after termination indicating that it is no longer a Circle K franchisee or an authorized franchisee or licensee under the Business System;

(D) for a period of twelve months subsequent to expiration or termination of this Agreement, Franchisee will be subject to the provisions of Article 16;

(E) if Franchisor exercises (in its sole discretion) its purchase right under Section 16.1 or if Franchisor is the lessor under the Lease, then, upon request by Franchisor, peaceably surrender possession, occupancy, control and use of the Franchised Location to Franchisor or its designee. Franchisee will, at the request of Franchisor, promptly execute assignments or other transfer documentation in the form requested by Franchisor to perfect the

transfer to Franchisor or its designee of Franchisee's interest in or to the right to use and occupy the Franchised Location. The assumption of possession, occupancy and control of the Franchised Location by Franchisor (or its designee) will not relieve Franchisee of any outstanding unpaid obligations that may have accrued prior to the time of assumption of control by Franchisor (or its designee); all such obligations will remain the obligations of Franchisee. If Franchisor elects not to assume possession and control of the Franchised Location, Franchisee will, at Franchisee's expense, make such modifications or alterations thereto immediately upon termination or expiration of this Agreement as Franchisor may demand to prevent the operation of any business therein being confused by the public with a business affiliated with Franchisor for any purpose and will otherwise comply with its obligations under this Section 14.7, including without limitation Section 14.7(C). If Franchisee owns or leases the Franchised Location from someone other than the Franchisor or its Affiliates, this provision does not apply;

(F) reimburse Franchisor (i) the entire amount of the Funding, if the termination occurs during the first thirty-six (36) months of the Term, or (ii) if the termination occurs after the first thirty-six (36) months of the Term, the entire amount of the Funding, less $1/120^{th}$ of such amount for each full month the Circle K Business was open and operating in full compliance with the terms of this Agreement, including, but not limited to the timely and full payment of all applicable Royalty Fees and Promotional Fees; and

(G) not remove from the Franchised Location any inventory, equipment or software that is the subject of the Software Agreement or any franchise or license agreement or security agreement with Franchisor or any other party for so long as there remain obligations of Franchisee to Franchisor. Franchisee will give Franchisor and its designated representatives full access to the Franchised Location and all of Franchisee's books and records at any time during customary business hours to conduct any inventory counts and determine the value of the assets. The inventory of good and saleable merchandise will be valued at cost in accordance with the retail inventory accounting method then used by Franchisor. The value of any good and salable equipment owned by Franchisee will in no event exceed the lesser of (i) fair market value or (ii) book value of equipment on the date of expiration or termination of this Agreement. No value will be assigned to unsaleable merchandise and equipment, and Franchisor may direct Franchisee to remove such items from the Franchised Location. The value of such saleable inventory and equipment may, in Franchisor's sole discretion and to the extent that it does not infringe upon the security rights of others, be credited to any outstanding obligations of Franchisee to Franchisor and its ownership will be transferred to Franchisor if so credited. If the value of the unencumbered saleable inventory and equipment exceeds the amount owed by Franchisee to Franchisor on the date of expiration or termination of this Agreement, Franchisor may select that inventory and equipment the value of which it wishes to apply to the outstanding debt of Franchisee to Franchisor and return the balance of unencumbered inventory and equipment to Franchisee and Franchisee may dispose of such inventory and equipment, subject to compliance with the other terms of this Section 14.7.

14.8 Interim Period. If this Agreement expires without Franchisee properly exercising its renewal right and Franchisee continues to accept the benefits of this Agreement thereafter, then, at Franchisor's option, Franchisor may treat this Agreement either as: (i) expired as of the date of expiration, with Franchisee then illegally operating a franchise in violation of Franchisor's rights and this Agreement; or (ii) continued on a month-to-month basis (the "**Interim Period**") until both

parties agree to enter into Franchisor's then-current form of franchise agreement for a renewal term or until one party provides the other with written notice of termination, in which case the Interim Period will terminate 30 days after receipt of the notice of termination. In the latter case, all of Franchisee's obligations shall remain in full force and effect during the Interim Period as if this Agreement had not expired. All obligations and restrictions imposed on Franchisee upon expiration of this Agreement shall take effect upon termination of the Interim Period.

ARTICLE 15
TRANSFER

15.1 Transfer by Franchisor. Franchisor may transfer, assign, pledge, and/or delegate any or all of its interests, rights, and/or obligations under this Agreement, in whole or in part, directly or indirectly, by the transfer of the assets, stock, merger, acquisition, or otherwise, without notice to or the consent of Franchisee.

15.2 Transfer by Franchisee. This Agreement is entered into by Franchisor in reliance upon and in consideration of the singular personal skills, qualifications, and representations of, and the trust and confidence reposed in, Franchisee, the Business Manager, and Franchisee's officers, directors, Principal Equity Holders, members, and partners, as the case may be. Accordingly, except as otherwise provided in this Article 15, Franchisee may not pledge, sell, assign, trade, transfer, lease, sublease or otherwise dispose of (collectively, "**Transfer**") any part of, right to, or interest in (A) the Franchised Location; (B) the Circle K Business's land and/or building, whether fee title, leasehold or other interest in real property, including all improvements, structures and fixtures; (C) the furniture, fixtures, equipment and other personal property (including all related contracts and leases) used in the Circle K Business (except for transactions involving (i) the sale of merchandize, car wash or other services and/or motor fuel or other inventory in the ordinary course of business or (ii) disposal or sale of obsolete equipment in ordinary course of business); (D) this Agreement and/or the Motor Fuel Agreement; or (E) the Franchised Business (hereinafter clauses (A) through (E) either collectively or individually referred to as the "**Business Assets**") or any corporate, partnership, limited liability company or other ownership interest in Franchisee (collectively, "**Ownership Interest**" and together with the Business Assets, collectively or individually, a "**Franchisee Interest**") without, in each case, the prior written consent of Franchisor, whose consent will not be unreasonably withheld or delayed, and compliance with the terms of this Agreement. Under no condition may Franchisee sublicense its rights hereunder. Except as allowed herein, any purported Transfer in violation of this Agreement, whether by operation of law or otherwise, will be null and void and will constitute a material breach of this Agreement, for which breach Franchisor may immediately terminate this Agreement in accordance with Section 14.2(J). Consent to a Transfer upon specified terms and conditions will not be deemed consent to a Transfer upon any other terms or conditions, nor to any other or subsequent Transfer. Such consent will be conditioned upon Franchisee being in Good Standing and having complied with the following conditions:

(A) Compliance with Law. The Transfer will have been conducted in compliance with all applicable laws, and the proposed transferee will have secured all governmental permits and licenses required to operate the Circle K Business.

(B) Qualified Assignee. Franchisee and the proposed transferee will have demonstrated to Franchisor's reasonable satisfaction that the proposed transferee, and if applicable, the person designated to be the transferee's Business Manager, and the directors, officers, and principal shareholders and partners of the transferee, as the case may be, meet all of Franchisor's then-current qualifications for new franchisees, possess the requisite business experience, including, without limitation, management and sales abilities, and possess the financial resources to fulfill all obligations under the franchise agreement to be executed by the transferee and Franchisor with respect to the Circle K Business.

(C) Execution of Franchise Agreement and Motor Fuel Agreement. The proposed transferee will have executed Franchisor's then-current form of franchise agreement, motor fuel agreement and all required related agreements and documentation, which may contain terms and conditions materially different from the terms and conditions of this Agreement or the Motor Fuel Agreement, including, without limitation, with respect to the Royalty Fee and Promotional Fee rates, territorial protection, and other material provisions. If the proposed transferee elects not to execute Franchisor's then-current forms of franchise agreement and motor fuel agreement, Franchisor has the right to deny the consent of such Transfer.

(D) Other Obligations. The proposed transferee will have expressly assumed in writing all of the obligations of Franchisee and executed all agreements with Franchisor or its Affiliates as required of Franchisee, appointed a Business Manager, assumed all other agreements pertaining to the Circle K Business (and all third parties to such agreements will have consented in writing to such assumptions), complied with all applicable provisions of this Agreement and the Motor Fuel Agreement, and will have executed the Guaranty attached hereto.

(E) Training. The proposed transferee and its Business Manager will have successfully completed the Training Program.

(F) Transfer Fee. Prior to the proposed transferee attending training, Franchisee or proposed transferee will have paid to Franchisor a nonrefundable transfer fee in an amount equal to the initial franchise fee payable under the then-current form of franchise agreement. A minimum transfer fee of $1,000 may apply to the following circumstances: (1) the Transfer is to the spouse or adult child of Franchisee, if Franchisee is an individual, or, if Franchisee is a corporate entity or partnership and the Transfer is to the adult spouse or child of an owner of at least a majority ownership interest in Franchisee; (2) the Transfer is to a corporation (or other entity) in which Franchisee is the principal shareholder/owner retaining a majority ownership interest and Franchisee remains the officer or manager responsible for the full-time personal operation and supervision of the Circle K Business; (3) the Transfer is a transfer of any ownership interest of a partner, shareholder or other owner to another existing partner, shareholder or other owner; provided the majority partner, shareholder or other owner of Franchisee remains the same; or (4) only the name of Franchisee is changed (if Franchisee is a corporation or other entity).

(G) Right of First Refusal. Franchisee will have first offered to sell the Franchisee Interest to Franchisor in accordance with Article 16 and Franchisor will have waived its right to purchase.

(H) Upgrading. Franchisee will have agreed to perform specified upgrading and/or renovation of the Franchised Location and the Circle K Business to conform to the current standards and image then required by Franchisor of its new franchisees. All such upgrades and renovations shall be completed within nine months of the Transfer.

(I) Releases and Subordination. Franchisee and Guarantors will have executed a release of all claims related to this Agreement and the Motor Fuel Agreement, in a form acceptable to Franchisor, and Franchisee will have subordinated its rights to all payments from the transferee to all obligations of the transferee to Franchisor.

(J) Agreements. Upon Franchisor's request, Franchisee will have provided Franchisor with a complete copy of all agreements and related documentation between Franchisee and the transferee relating to the Transfer.

(K) Landlord Consent. The proposed transferee must have been accepted by the landlord in writing as a substitute tenant for the Franchised Location. Franchisor may refuse to consent to a Transfer if the proposed transferee is not acceptable to the landlord. If Franchisor is the landlord, or sublessor, for the Franchised Location, it has the right to withhold its consent as a landlord in its sole discretion.

(L) Payment of Outstanding Loans, Funding, and Fees. Franchisee must have repaid the remaining balance on any loan or the unamortized portion of the Funding provided to Franchisee. At the time of seeking Franchisor's consent to a Transfer hereunder, Franchisee must be current on all fee payments due to Franchisor and its Affiliates.

15.3 Change of Ownership. If Franchisee is a corporation, limited liability company, partnership or other entity, then during the Term, Franchisee must notify Franchisor of any Transfer of any Ownership Interest in Franchisee, including, without limitation, any assignment of the legal, beneficial, or voting rights therein, which notice shall include the terms and conditions of such proposed Transfer. Any such Transfer which together with all prior Transfers of Ownership Interests constitutes an assignment of fifty percent (50%) or more of the Ownership Interests in Franchisee since the Effective Date, and any other action, either directly or indirectly, which results in a change in the effective control of Franchisee by those persons having effective voting control of Franchisee as of the Effective Date, will constitute a Transfer of Ownership Interest subject to the conditions of Section 15.2 and subject to the provisions of Section 16.2.

15.4 Death or Incapacity. In the event of the death or permanent incapacity of an individual Franchisee, or of any Principal Equity Holder owning a fifty percent (50%) or greater ownership interest in Franchisee, such person's executor, administrator, personal representative, successor, trustee, or heir (the "**Successor**") may seek Franchisor's approval to succeed to the Franchisee Interest owned by such deceased or incapacitated individual in accordance with the provisions of such person's will or any corporate or partnership buy-sell agreement controlling the issue of succession on death of an owner. If, within thirty (30) days of such death or incapacity, a Successor fails to obtain Franchisor's approval of the Transfer of such Franchisee Interest to such a Successor, the Successor must, within six (6) months from the date of notice of Franchisor's disapproval, Transfer such Franchisee Interest to a transferee acceptable to Franchisor, in compliance with the other provisions of this Article 15. For avoidance of doubt, any such Transfer

will constitute a Transfer subject to the conditions of Section 15.2. If such a Transfer is not concluded within the required time period, Franchisor may terminate this Agreement for breach.

15.5 Divorce/Dissolution. If Franchisee is an individual, in the event of divorce or dissolution of marriage of Franchisee, any award by court decree or court-approved property settlement agreement of a Franchisee Interest to the ex-spouse of Franchisee will be considered a Transfer requiring compliance with the provisions of this Article 15, including, without limitation, compliance by Franchisee and the ex-spouse/transferee with Section 15.2, except that such ex-spouse/ transferee will not be required to pay a Transfer Fee. If, in Franchisor's judgment, such ex-spouse/ transferee is not qualified to operate the Circle K Business or otherwise assume the Franchisee Interest, such ex-spouse/ transferee will have a period of six (6) months within which to sell the Franchisee Interest to a transferee acceptable to Franchisor, subject to the requirements of this Article 15. If such a Transfer is not concluded within the required time period, Franchisor may terminate this Agreement for breach.

ARTICLE 16
FRANCHISOR'S OPTION TO PURCHASE ASSETS

16.1 Franchisor's Right to Purchase Business Assets. During the Term and for a period of twelve months following the expiration or termination of this Agreement, Franchisee will not Transfer any interest in or any part of the Business Assets to any party, including any Affiliates of Franchisee, without first offering the same to Franchisor in a written notice that contains all material terms and conditions of the proposed Transfer (hereinafter referred to as the "**Price and Terms**"). If the Business Assets are proposed to be Transferred in conjunction with other assets not related to the Business Assets, the written offer of the "Price and Terms" of the Business Assets must be separately identified to Franchisor. This Section 16.1 does not apply to the pledge of the Business Assets (with the exception of this Agreement) by Franchisee to a bank, other financial institution or other lender made in connection with the financing of the leasehold improvements, or acquisition of furniture, fixtures, supplies and equipment, and/or the real estate and building used in the Circle K Business; provided that any such pledge is subject to the provisions of Article 15.

16.2 Transfer of Majority Interest in Franchisee. Prior to any Transfer of Ownership Interests in Franchisee that would result in a change of ownership as described under Section 15.3, Franchisee will offer to Franchisor, in writing, each and all of the Business Assets; provided, that, unless otherwise agreed to in writing by Franchisor and Franchisee, the Price and Terms for the purchase of such Business Assets shall be established by a qualified appraiser selected by the parties. If the parties cannot agree upon an appraiser, an independent qualified appraiser shall be appointed by a Judge of the United States District Court for the District in which the Franchised Location is located upon petition of either party. For purposes of this provision, Franchisee's shareholders, members, partners or other owners must comply with all other applicable terms and conditions of this Article 16 and Article 15. Further, nothing in this Section 16.2 shall be construed as a limitation on Franchisee's obligations under Article 15, including Section 15.3.

Consistent with the terms of the preceding paragraph, all stock or other certificates of ownership issued by Franchisee evidencing ownership interest in Franchisee must bear the following legend:

> "The ownership interests represented by this ownership certificate are subject to a written Franchise Agreement that grants TMC Franchise Corporation (the "Franchisor") a right of first refusal to purchase these ownership interests from the owner, and any person acquiring the ownership interests represented by this ownership certificate will be subject to the terms and conditions of the Franchise Agreement between the company named on the face of this certificate and Franchisor, which includes provisions containing covenants not to compete that apply to all owners."

16.3 Notice of Purchase. The notice by Franchisee required under Section 16.1, specifying the Price and Terms of the proposed Transfer, shall also include all ancillary agreements for the Franchised Location and pertinent supplemental financial information necessary to evaluate the merits of the proposed Transfer, including, but not limited to, fuel volume, car wash sales and QSR sales. Franchisor will notify Franchisee once Franchisor has received all of the required information. Franchisor will have sixty (60) days from the date of such notice (or from the date of the notice required under Section 15.3 in the case of a proposed Transfer of Ownership Interest) to either waive its right to purchase or express its interest in purchasing all or a portion of the Business Assets by delivering an acceptance notice ("**Acceptance Notice**"). If Franchisor waives its right to purchase, then Franchisee may complete the Transfer of the relevant Business Assets, or Ownership Interests (as applicable), according to the Price and Terms set forth in the written notice to Franchisor (or the terms provided in the notice delivered under Section 15.3, as applicable); however, any such Transfer to a third party is expressly subject to the other terms and conditions set forth in Article 15. If Franchisee does not consummate the Transfer of the Business Assets or Ownership Interests (as applicable) upon the Price and Terms, or in the case of Ownership Interests, on the terms provided in the notice delivered under Section 15.3, within six months of the date of the original notice to Franchisor containing the Price and Terms, the offer must be made again to Franchisor as set forth in this Article 16. Franchisee's obligations to comply with all of the terms and conditions of this Agreement, including, but not limited to, its obligations to pay the Royalty Fees and Promotional Fees, and to operate the business as a Circle K Business in compliance with the terms hereof, will in no way be affected or changed because of Franchisor's rejection of Franchisee's offer to purchase the Business Assets hereunder.

16.4 Offsets. The purchase price payable by Franchisor to Franchisee under this Article 16 will be reduced by (a) all amounts owed by Franchisee to Franchisor hereunder, (b) all amounts owed by Franchisee to Franchisor or any Affiliate of Franchisor under any other agreement, including the Motor Fuel Agreement, (c) Franchisee's unpaid balance of the purchase price with respect to any of the assets purchased by Franchisor hereunder, or if any such assets are subject to a lien, by the balance due on the underlying indebtedness, together with (d) any interest or other charges to be paid in order for Franchisor to acquire such assets free and clear of all liens. If the amount due by Franchisee with respect to any asset exceeds its purchase price paid by Franchisor hereunder, Franchisee will remain solely liable for the difference.

16.5 Assessment of Property Condition; Purchase of Business Assets. Franchisor will have an additional 60 days from the date Franchisee receives the Acceptance Notice to complete the purchase hereunder (the "**Diligence Period**"). During the Diligence Period, Franchisor may enter the Franchised Location to inspect, test, and otherwise make an assessment of the condition

of the Business Assets subject to Acceptance Notice, including without limitation the environmental and/or geological condition of any real property included in such Business Assets, and Franchisee hereby grants Franchisor a limited license to enter the Franchised Location for such purposes; provided that any such inspection, testing, and assessment shall be made in a manner so as to minimize interference with normal operations of the Circle K Business. Franchisor's rights hereunder shall include the right to undertake any testing, surveying, drilling or other analysis, including subsurface testing of the Franchised Location. Franchisor shall indemnify, defend and hold harmless Franchisee against any personal injury or property damage caused by Franchisor or its contractors or employees in making any such inspections, testing, or assessment; provided, however, that in no event shall Franchisor have any liability as a result of any condition of the Franchised Location discovered by Franchisor during the inspections, testing and assessments, or as a result of any statement in any report or other written statement or oral communication regarding the Franchised Location; and provided further that in no event shall Franchisor have any liability for any lost profits or business interruption suffered by Franchisee during, or as result of, any inspection, testing, or other assessment of the Franchised Location conducted by Franchisor.

Subject to offset as provided in Section 16.4, if, following the expiration of the Diligence Period, Franchisor wishes to purchase any such Business Assets hereunder, the Business Assets will be sold to Franchisor on the same price and terms set forth in the Price and Terms; provided, however (and regardless of whether the following are inconsistent with the Price and Terms), that (i) the Business Assets will be sold free and clear of all liens, liabilities or other encumbrances (including, as applicable, with any real or personal property lease payments paid in full through the date of closing of the sale); (ii) the purchase price of any inventory will not be more than the value of such inventory based upon the retail inventory accounting method then used by Franchisor; (iii) Franchisor will have the right to substitute equivalent cash for any noncash consideration included in the Price and Terms; (iv) if the written offer of the Price and Terms includes as consideration for the Business Assets an exchange of other real or personal property interests of the offeror, this shall be deemed to constitute an offer to purchase the Business Assets for a price equal to the fair market value of the real or personal property offered in exchange (the "**Exchange Property**") (plus any other consideration provided for in the Price and Terms). Franchisor is not obligated to accept Franchisee's and offeror's agreed-upon value of any Exchange Property as may be specified in the Price and Terms and may demand a determination by a neutral third-party appraiser of the fair market value of the Exchange Property. Franchisee shall bear all costs and expenses required to determine the fair market value of any Exchange Property included in the Price and Terms; and (v) Franchisor will have the right to pay in cash at closing the full present value of any post-Transfer payments contemplated under the Price and Terms using a discount rate equal to then-current prime rate as published from time to time in the Money Rates section of The Wall Street Journal or a comparable index selected by Franchisor; (vi) Franchisor will prepare the transaction documents for the Transfer, which will be on terms customary for this type of transaction (including representations and warranties, covenants, conditions, and indemnification, including indemnification for any environmental contamination of the Franchised Location), (vii) Franchisor's purchase may be limited to any assets related to the Circle K Business, and (viii) Franchisee shall cooperate and promptly undertake such action as may be requested by Franchisor to transfer any applicable permits, leases, or other rights to Franchisee.

ARTICLE 17
INDEMNIFICATION

17.1 Indemnification. Except as otherwise expressly provided in this Agreement, and without limiting Franchisor's common law rights of indemnification, Franchisee assumes sole and complete responsibility for and will, to the maximum extent permitted by law, defend, protect, indemnify, and hold harmless Franchisor, its Affiliates, and their respective directors, employees, officers, shareholders, managers, members, agents and successors and assigns (individually an "**Indemnified Party**" and collectively the "**Indemnified Parties**"), from and against any and all losses, costs, expenses, damages, and liability (including, without limitation, attorneys' fees and court costs) arising out of or relating to this Agreement, Franchisee's negligence, the operation or use of the Franchised Location or the Circle K Business (including any Additional Business), including any contracts with third parties related to the operation of the Circle K Business, or the equipment or supplies used in connection therewith, and whether arising from bodily injury, personal injury, or property damage, or any other violation of the rights of others, or in any other manner, whether incurred for an Indemnified Party's primary defense or for enforcement of its indemnification rights hereunder, on account of any personal injury, disease, or death of any person(s), damage to or loss of any property, or money damages or specific performance owed to any third party (by contract or operation of law), and any fines, penalties, assessments, environmental response costs, or injunctive obligations imposed upon any of the Indemnified Parties caused by, arising out of, or in any way incidental to, or in connection with, Franchisee's performance hereunder, or the performance, acts, or omissions by any retail customer or consumer served by Franchisee (including employees, agents, contractors, and invitees of Franchisee and Franchisee's resale customers and consumers), or any other person, including any Approved Third-Party Operator.

17.2 Risk Allocation. It is the intention of the parties hereto, in connection with an agreed allocation of risk between them, that the indemnity obligations of Franchisee are without regard to whether the negligence, fault, or strict liability of any of the Indemnified Parties is a concurrent or contributory factor, and such obligations are intended to protect the Indemnified Parties against the consequences of their own negligence, fault, or strict liability. Only those matters which are determined by a final, nonappealable judgment to be a result of the sole negligence, intentional acts, or other legal fault of any of the Indemnified Parties or defects in Franchisor's products not caused or contributed to by the negligence or fault of Franchisee or Franchisee's employees, agents, contractors, invitees, customers, or consumers will be excluded from Franchisee's duty to indemnify the Indemnified Parties under such circumstances. Such duty to defend and protect the Indemnified Parties will include, without limitation, investigation and costs of defense and settlement, including reasonable attorneys' fees up through final appeal of a trial court judgment or arbitration.

17.3 Defense of Claims. Nothing herein will limit Franchisor's right to participate in its defense with counsel of its own choosing. If Franchisor does so, Franchisee will instruct its counsel to cooperate fully with Franchisor and its counsel, including furnishing such information as Franchisor or its counsel may request. Any costs incurred by Franchisor in defending any claims will be paid by Franchisee as provided in Section 17.1.

17.4 Survival of Indemnity. Franchisee's indemnity obligations as provided in this Article 17 will survive the expiration, termination, or nonrenewal of this Agreement and the License granted hereunder.

17.5 Notification of Possible Indemnity Events. Franchisee will notify Franchisor of any event that is or may be subject to indemnity as provided herein, and which has resulted or may result in personal injury, death, disease, or destruction of property, by telephone within twenty-four (24) hours after such event and in writing within three (3) days after such event.

ARTICLE 18
DISPUTE RESOLUTION

18.1 Negotiation; Mediation. Except as expressly provided herein, the parties will attempt to settle disputes arising out of or relating to this Agreement, the parties' relationship or the Circle K Business or the Franchised Business by a meeting (either via phone conference, video conference, or in-person) of designated representatives of Franchisor and Franchisee within ten (10) days after a request by either party to the other party asking for the same. If the meeting is not held within the prescribed ten (10) day period, or such dispute is not fully resolved at this meeting, either party may initiate mediation of the dispute. The parties will designate a sole mediator, or if the parties are unable to agree upon a mediator within fourteen (14) days of initiating mediation, selection of the mediator will be governed by then-current CPR Mediation Rules under the Center for Public Resources Model Procedure for Mediation of Business Disputes. The mediation will take place within forty-five (45) days after a mediator is selected in Maricopa County, Arizona (or the county in which Franchisor's headquarters are located at the time mediation is demanded, if different). Each party will bear its own costs of mediation and share equally the mediator's fees.

18.2 Arbitration. If (a) not resolved by mediation within sixty (60) days of the selection of the mediator, or (b) at any time (including prior to initiating mediation or during mediation) a party believes that mediation would be futile (because of the other party's lack of cooperation), and except as qualified below, any dispute between Franchisor and Franchisee or their respective Affiliates arising under, out of, in connection with or in relation to this Agreement, the parties' relationship, or the Franchised Business must be submitted to binding arbitration under the authority of the Federal Arbitration Act and in accordance with the Center for Public Resources Rules Non-Administered Arbitration of Business Disputes then in effect. Any arbitration must be on an individual basis and the parties and the arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any other claim or any other proceeding involving third parties. If a court determines that this limitation on joinder of or class action certification of claims is unenforceable, then this entire commitment to arbitrate will become null and void and the parties must submit all claims to the jurisdiction of the courts. The arbitration must take place in Maricopa County, Arizona (or the county in which Franchisor's headquarters are located at the time arbitration is demanded, if different). The arbitrator must follow the law and the terms of this Agreement. The arbitrator must have at least 5 years of significant experience in franchise law. A judgment may be entered upon the arbitration award by any state or federal court in the state where Franchisor maintains its headquarters or the state where the Circle K Business is located. The decision of the arbitrator will be final and binding on all parties to the dispute; however, the arbitrator may not under any circumstances: (1) stay the

effectiveness of any pending termination of this Agreement; or (2) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance that Franchisor sets. All applicable statutes of limitations will be tolled while the procedures specified in this Article 18 are pending. The parties will take such action, if any, as required to effectuate such tolling.

18.3 Exception to Arbitration. Notwithstanding Section 18.2, the parties agree that the following claims will not be subject to arbitration:

1. any action for declaratory or equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief, specific performance, other relief in the nature of equity to enjoin any harm or threat of harm to such party's tangible or intangible property, brought at any time, including, without limitation, prior to or during the pendency of any arbitration proceedings initiated hereunder.

2. any action in ejectment or for possession of any interest in real or personal property.

3. any action for the collection of moneys owed to Franchisor or its affiliates; and

4. any action related to the obligations of Franchisee upon termination or expiration of this Agreement, including, without limitation related to covenants not to compete and confidentiality obligations.

18.4 Injunctive Relief. Franchisor will be entitled to seek the entry of temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Agreement relating to: (A) the Marks and the Business System; (B) the obligations of Franchisee upon termination or expiration of this Agreement; (C) the assignment of this Agreement, the Franchised Business, and ownership interests in Franchisee; (D) the covenants not to compete; (E) confidentiality; or (F) any act or omission by Franchisee, the Circle K Business or employees of the Circle K Business that (i) constitutes a violation of any applicable law, ordinance or regulation, (ii) is dishonest or misleading to customers or prospective customers of the Circle K Business or other Circle K businesses, (iii) constitutes a danger to employees or customers of the Circle K Business or to the public, or (iv) may impair the goodwill associated with the Marks and the Business System. Franchisee will indemnify Franchisor for all costs that it incurs in any such proceedings including, without limitation, reasonable attorneys' fees, expert witness fees, costs of investigation, Court costs, accounting fees, travel and living expenses, and all other costs incurred by Franchisor. Franchisor will be entitled to seek injunctive relief against Franchisee without the posting of any bond or security, unless required by applicable law.

18.5 Cumulative Rights. The rights of Franchisor hereunder are cumulative and no exercise or enforcement by Franchisor of any right or remedy hereunder will preclude the exercise or enforcement by Franchisor of any other right or remedy hereunder or to which Franchisor is entitled by law to enforce.

18.6 Venue and Jurisdiction. Unless otherwise prescribed by applicable law, and subject to the provisions of Sections 18.1 and 18.2 regarding mediation and arbitration, all lawsuits, court

hearings, proceedings or other actions initiated by either party against the other party will be venued in the county where Franchisor's headquarters are then located (currently, Maricopa County, Arizona). Consequently, Franchisee, each of its officers, directors, members, shareholders or other owners do hereby agree to submit to personal jurisdiction in such county, for the purpose of any action or dispute arising out of this Agreement, the Franchised Location or the Circle K Business, and do hereby agree and stipulate that any such proceedings will be exclusively venued in such county. THE PARTIES HEREBY WAIVE A RIGHT TO A JURY TRIAL IN ANY LAWSUIT RELATED TO THIS AGREEMENT OR THE PARTIES' RELATIONSHIP HEREUNDER.

ARTICLE 19
NOTICES

All notices required or permitted to be given under this Agreement to Franchisor will be in writing and will be made by overnight courier service, personal service upon an officer, or sent by prepaid registered or certified United States mail to any such officer of Franchisor, and will be deemed to have been duly given 24 hours after being sent by overnight courier service or five (5) days after being deposited in the United States mail for certified or registered delivery, addressed to Franchisor at 1130 West Warner Road, Tempe, Arizona 85284, Attention: Worldwide Franchising Group. All notices required or permitted to be given under this Agreement to Franchisee will be made by personal service upon Franchisee or, if applicable, an officer or director of Franchisee or sent by overnight courier service, personal service or prepaid registered or certified United States mail addressed to Franchisee at the Franchised Location, or such other address as Franchisee may designate in writing. Notice delivered by a delivery service that requires a written receipt signed by the addressee will be deemed to have been personally served under this Agreement. Franchisor may provide notice or other information to Franchisee by electronic or telephonic means including by facsimile or through the Internet or other online means.

ARTICLE 20
MISCELLANEOUS

20.1 Relationship of Parties; Independent Contractor. Franchisee is an independent contractor. Nothing in this Agreement will be deemed or construed to create the relationship of principal and agent, partnership, joint venture, employment, or a fiduciary relationship, and Franchisee will not hold itself out as an agent, legal representative, partner, subsidiary, joint venturer, servant or employee of Franchisor. Neither Franchisor nor Franchisee has the right to bind or obligate the other to any obligations or debts. It is expressly understood and agreed that neither Franchisee nor any employee or contractor of Franchisee whose compensation for services is paid by Franchisee may, in any way, directly or indirectly, expressly or by implication, be construed to be an employee of Franchisor for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state, or federal governmental agency. There are no third-party beneficiaries under this Agreement, except for any indemnified party (or other person entitled to be indemnified pursuant to this Agreement).

20.2 Conduct of Business. It is acknowledged that Franchisee is the independent owner of its business, in full control thereof to conduct such business in accordance with Franchisee's own judgment and discretion, subject only to the provisions of this Agreement and such other agreements as may be entered into by the parties. Franchisor will neither regulate nor be responsible for the hiring or firing of Franchisee's agents or employees or for Franchisee's contracts. Franchisee will conspicuously identify itself, and the Circle K Business, and in all dealings with its clients, contractors, suppliers, public officials and others, as an independent franchisee of Franchisor, and will place such notice of independent ownership on all forms, business cards, stationery, advertising, signs and other materials and in such fashion as Franchisor may specify from time to time and as set forth in the mandatory provisions of the Business Systems Manuals or otherwise.

20.3 Approval. In all cases where Franchisor's prior approval is required and no other method or times for obtaining such approval is prescribed, Franchisee will request such approval in writing, and Franchisor will notify Franchisee in writing of its decision within ten (10) business days after receiving Franchisee's written request and all supporting documentation. Franchisor's consent to or approval of any act or request by Franchisee will not be deemed to waive or render unnecessary consent or approval of any subsequent similar act or request.

20.4 Successors. Subject to any restrictions regarding Transfer set forth herein, this Agreement will be binding upon and inure to the benefit of the parties hereto and their respective permitted successors, assigns, executors, administrators, heirs, and personal representatives.

20.5 Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §1051 et seq.), and the Federal Arbitration Act (9 U.S.C. § 1, et seq.) this Agreement and the relationship between Franchisor and Franchisee will be governed by the laws of the State of Arizona, without regarding to any conflicts of laws principles.

20.6 Franchisor's Right of Self-Help. In addition to Franchisor's rights of self-help set forth elsewhere in this Agreement, if Franchisee at any time fails to perform any of its obligations under this Agreement in a manner reasonably satisfactory to Franchisor, Franchisor will have the right, but not the obligation, upon giving Franchisee at least ten (10) days' prior written notice of its election to do so (except that in the event of an emergency no prior written notice will be required), to perform such obligations on behalf of and for the account of Franchisee and to take all such action necessary to perform such obligations, including the right to enter the Circle K Business premises. In such event, Franchisor's costs and expenses incurred therein will be reimbursed by Franchisee to Franchisor forthwith upon demand therefor plus interest thereon from the date Franchisor performs such work at the highest lawful rate pertaining to loans between businesses in the state whose law governs this Agreement, or in the absence of a maximum rate specified by state law, eighteen percent (18%) per annum. The performance by Franchisor of any such obligation will not constitute a release therefrom or waiver thereof.

20.7 Counterparts. This Agreement may be executed in one or more counterparts, all of which will constitute one agreement and will not be binding on Franchisor unless and until it has been accepted and signed by an authorized officer of Franchisor.

20.8 Variances. Franchisor reserves the right to modify Franchisee's obligations hereunder to conform to applicable law and to modify Franchisee's obligations with the consent of Franchisee if such modification is deemed to be in the best interest of promoting the Business System, provided, however, that Franchisor will be under no obligation to grant such similar modification to other franchisees, and vice versa.

20.9 Severability. All provisions of this Agreement are severable and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions will be enforced to the extent valid and enforceable. If any applicable law or rule of any jurisdiction requires a greater prior notice of the termination of or refusal to renew this Agreement than is required hereunder or the taking of some action not required hereunder, or if under any applicable and binding law of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by Franchisor is invalid or unenforceable, the prior notice or other action required by such law or rule will be substituted for the notice requirements hereof, or such invalid or unenforceable provision, specification, standard or operation procedure will be modified to the extent required to be valid and enforceable. Such modifications to this Agreement will be effective only in such jurisdiction and will be enforced as originally made and entered into in all other jurisdictions.

20.10 Waiver. Franchisor or Franchisee may by written instrument signed by both Franchisor and Franchisee, waive any obligation of or restriction upon the other under this Agreement. Acceptance by Franchisor of any payment by Franchisee and the failure, refusal or neglect of Franchisor to exercise any right under this Agreement or to insist upon full compliance by Franchisee of its obligations hereunder including, without limitation, any mandatory specification, standard or operating procedure, will not constitute a waiver by Franchisor of any provision of this Agreement. Franchisor will have the right to waive obligations or restrictions for other franchisees under their license agreements without waiving those obligations or restrictions for Franchisee, and, except to the extent prohibited by law, Franchisor will have the right to negotiate terms and conditions, grant concessions, and waive obligations for other franchisees without granting those same rights to Franchisee and without incurring any liability to Franchisee whatsoever.

20.11 Entire Agreement. This Agreement and all exhibits, addenda and appendices to this Agreement and the application form executed by Franchisee constitute the entire agreement between the parties with respect to the subject matter hereof and supersedes any and all prior negotiations, understandings, representations and agreements. Nothing in this Agreement or in any related agreement, however, is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document that was furnished to Franchisee. Nothing in this Section 20.11, however, shall be construed as terminating or limiting Franchisee's duties or obligations under any agreement with Franchisor or its Affiliates, including, without limitation any financing agreements or the Software Agreement. Franchisee acknowledges that it is entering into this Agreement as a result of its own independent investigation of the Franchised Business and not as a result of any representations about Franchisor made by Franchisor's shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to or not included in the terms set forth in this Agreement or in any disclosure document, prospectus, or other similar document required or permitted to be given to Franchisee pursuant to applicable law.

20.12 Joint and Several Obligations. If Franchisee consists of more than one individual, then the liability of all such individuals under this Agreement will be joint and several.

20.13 No Oral Modifications. No modifications, changes, additions, rescissions, releases, amendments or waivers of this Agreement and no approval, consent or authorization required by any provision of this Agreement may be made except by a written agreement subscribed to by a duly authorized officer of Franchisee and the president or other duly authorized officer of Franchisor.

20.14 Headings; Terms. The headings of the Articles and Sections used in this Agreement are for convenience only and do not define, limit or construe the contents of such Articles or Sections. The term "Franchisee" as used herein is applicable to one or more persons, a corporation, a partnership or other entity, as the case may be, and the singular usage includes the plural, the masculine usage includes the feminine and neuter, and vice versa. References to "Franchisee", "assignee", and "transferee" which are applicable to an individual or individuals will mean the principal owner or owners of the equity or operating control of Franchisee or any such assignee or transferee if Franchisee or such assignee or transferee is a corporation, partnership or other entity.

20.15 Interpretation of Rights and Obligations. The following provisions will apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement, and the relationship between the parties:

(A) Franchisor's Rights. Whenever this Agreement provides that Franchisor has a certain right, that right is absolute and the parties intend that Franchisor's exercise of that right will not be subject to any limitation or review. Franchisor has the right to operate, administrate, develop, and change the Business System in any manner that is not specifically precluded by the provisions of this Agreement.

(B) Franchisor's Reasonable Business Judgment. Whenever Franchisor reserves or is deemed to have reserved discretion in a particular area or where Franchisor agrees or is deemed to be required to exercise its rights reasonably or in good faith, Franchisor will satisfy its obligations whenever it exercises Reasonable Business Judgment in making its decision or exercising its rights. A decision or action by Franchisor will be deemed to be the result of "Reasonable Business Judgment", even if other reasonable or even arguably preferable alternatives are available, if Franchisor's decision or action is intended, in whole or significant part, to promote or benefit the Business System generally even if the decision or action also promotes a financial or other individual interest of Franchisor. Examples of items that will promote or benefit the Business System include, without limitation, enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the Business System.

20.16 Force Majeure. Any failure or delay in performance of this Agreement (other than a payment obligation) according to its terms by Franchisor or Franchisee shall not be deemed a breach of the Agreement if the failure to perform arose from a cause beyond the control of, and without the negligence of, the non-performing party. Except as may be specifically provided for elsewhere in this Agreement, such causes include, but are not limited to, strikes, wars, riots, civil commotion, acts of God, and acts of government.

20.17 Anti-Terrorism Provision. Franchisee, on behalf of itself and each Principal Equity Holder, and each Guarantor represents and warrants to Franchisor that: (a) neither Franchisee nor any Principal Equity Holder nor any Guarantor is named, either directly or by 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 currently located at www.treas.gov/offices/enforcement/ofac/; (b) Franchisee and each Principal Equity Holder will take no action that would constitute a violation of any applicable laws against corrupt business practices, against money laundering and against facilitating or supporting persons or entities who conspire to commit acts of terror against any person or entity, including as prohibited by the U.S. Patriot Act (currently located at http://www.epic.org/privacy/terrorism/hr3162.html), U.S. Executive Order 13244 (currently located at http://www.treas.gov/offices/enforcement/ofac/sanctions/terrorism.html) or any similar laws; and (c) Franchisee, each Guarantor and each Principal Equity Holder shall immediately notify Franchisor in writing of the occurrence of any event or the development of any circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading and shall immediately take all actions required to remedy the situation and remove the violation.

ARTICLE 21
ACKNOWLEDGMENTS BY FRANCHISEE

21.1 Business Risk; No Financial Projections. Franchisee acknowledges that it has conducted an independent investigation of the business contemplated by this Agreement and recognizes that an investment in a franchise involves business and economic risks, and that making a success of the venture is largely dependent upon Franchisee's own business abilities and efforts. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received nor relied upon, any representation, warranty, or guaranty, expressed or implied, as to the potential volume, income, earnings, expenses, profits, or financial or business success of the business venture contemplated by this Agreement except as may have been expressly set forth in the franchise disclosure document provided by Franchisor to Franchisee. Without limiting the foregoing, Franchisee acknowledges and agrees that (i) Franchisor makes no representations, warranties or guaranties, and expressly disclaims all liability, with respect to any third party studies of the prospective Franchised Business location prepared at Franchisee's request and expense (including, without limitation any third party retail analytics studies) ("**Third Party Studies**"), including, without limitation any statements of potential volume, income, earnings, expenses, profits, or financial or business success of the Franchised Business that may be included in any such Third Party Studies, and (ii) any such Third Party Studies are not taken into account by Franchisor in evaluating and approving any proposed Franchised Location site.

21.2 Recommendation to Obtain Legal Counsel. Franchisee acknowledges that Franchisor has strongly recommended that Franchisee retain legal counsel to review this Agreement, the Motor Fuel Agreement and Franchisor's franchise disclosure document and to advise Franchisee as to the terms and conditions of this Agreement and the Motor Fuel Agreement and the potential economic benefits and risks of loss relating to this Agreement, the Motor Fuel Agreement and the Franchised Business. Franchisee acknowledges that it has had a full and adequate opportunity to read and review this Agreement and Franchisor's franchise disclosure document and to be thoroughly advised of the terms and conditions of this Agreement by legal

counsel or a personal advisor, and has had sufficient time to evaluate and investigate the Business System, the financial requirements, the economics of the convenience store/motor fuel business, and the business risks associated with owning and operating a Circle K Business.

21.3 Other Franchisees. Franchisee acknowledges that other franchisees of Franchisor have or will be granted licenses at different times and in different situations, and the terms and conditions of such licenses may vary substantially in form and in substance from those contained in this Agreement.

21.4 Disclaimer by Franchisor. Franchisor expressly disclaims the making of any express or implied representations or warranties regarding sales, earnings, income, profits, Gross Sales, business or financial success, or the value of Franchisee's Circle K Business that were not contained in Item 19 of the Franchisor's franchise disclosure document, or the viability of the business opportunity contemplated by this Agreement, including any warranty as to the goods or service furnished by any supplier, particularly disclaiming all warranties of merchantability and of fitness for a particular purpose.

21.5 No Income or Refund Warranties. Franchisee acknowledges that Franchisor does not warrant or guarantee that: (i) Franchisee will derive income or profits from the operation of the Circle K Business; or (ii) Franchisor will refund all or any part of the Initial Franchise Fee or the price paid for the Franchised Business or repurchase any of the furniture, fixtures, products, equipment, supplies, or chattels supplied by Franchisor or an approved vendor if Franchisee is unsatisfied with the Franchised Business.

21.6 Receipt of Franchise Disclosure Document and Franchise Agreement. Franchisee acknowledges that it received from Franchisor a copy of this Agreement with all material blanks fully completed at least seven (7) calendar days prior to the date that this Agreement was executed by Franchisee. Franchisee further acknowledges that it received a copy of Franchisor's franchise disclosure document, together with a copy of all proposed agreements relating to the sale of the franchise, at least fourteen (14) calendar days prior to the execution of this Agreement or at least fourteen (14) calendar days prior to the payment of Franchisee to Franchisor of any consideration in connection with the sale or proposed sale of the franchise granted hereby.

21.7 No Other Representations. Franchisee hereby expressly warrants that it has no knowledge of any representation about the Franchised Business by Franchisor or its officers, directors, shareholders, employees, agents, or servants, that is contrary to the terms of this Agreement or the documents referred to herein. Franchisee represents to Franchisor that Franchisee has made no misrepresentations in obtaining this Agreement. No representation or statement has been made by Franchisor (or any employee, agent or salesperson thereof) and relied upon by Franchisee regarding Franchisee's ability to procure any required license or permit that may be necessary to the offering of one or more of the services or products contemplated to be offered by the franchise granted hereby.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date indicated below.

FRANCHISOR:

TMC FRANCHISE CORPORATION, an Arizona corporation

By: _____ **Effective Date:** _____

Printed Name: _____

Title: _____

FRANCHISEE:

[_____]

By: _____ Date: _____

Print Name: _____

Title: _____

By: _____ Date: _____

Print Name: _____

Title: _____

Franchisee designates the following person as the Key Individual:

_____
Printed name

Schedule 1 to Convenience Store and Motor Fuel Franchise Agreement – Definitions

In addition to terms defined elsewhere in this Agreement, for purposes of this Agreement, the following terms will have the following meanings:

1. **"Affiliate"** means, with respect to a party hereto, any person or entity that directly or indirectly owns or controls the referenced party, that is directly or indirectly owned or controlled by the referenced party, or that is under common control with the referenced party. The term "**control**" of an entity means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities, by contract or otherwise. For avoidance of doubt, an affiliate of Franchisor includes, without limitation, Circle K Stores Inc. and any of its subsidiaries, and Alimentation Couche-Tard and any of its subsidiaries, now existing or hereinafter formed or acquired.

2. **"Agreement"** means this Franchise Agreement, and all amendments, addenda, modifications, Exhibits (including, without limitation, the Motor Fuel Agreement) or extensions thereto that may be mutually agreed upon by Franchisor and Franchisee.

3. **"Business Manager"** means an employee of Franchisee designated by Franchisee to work at, and have the responsibility for managing the day-to-day operations of, the Circle K Business.

4. "**Accounting Period**" means the accounting period as determined by Franchisor in writing from time to time.

5. **"Business System"** means the Methods, Techniques, and Marks.

6. **"Circle K business"** means a retail convenience store and a motor fuel station, and if applicable, car wash station, operating under the name "Circle K" and under the other Marks and the Business System, which is a full service convenience store with sufficient floor space, vehicle parking, and inventory levels to offer all of the merchandise and services of a traditional convenience store, a full service motor fuel station that offers three (3) grades of gasoline products branded under the Marks for sale to the public, and that may or may not offer car wash services under the Marks, and that complies with the specifications of a Circle K Business as more fully described in the Business Systems Manuals.

7. **"Circle K Business" or "Franchised Business"** means the Circle K business located at the Franchised Location and operated by Franchisee under the Marks and the Business System, subject to the terms of this Agreement.

8. "**Confidential Information**" means all information and knowledge about the Business System and the services, standards, specifications, programs, procedures, and techniques prescribed by Franchisor which are not in the public domain or generally known in the convenience store/car wash/motor fuel station industry including, but not limited to, the Business Systems Manuals, any other manuals, methods, policies, procedures, programs and standards created for or approved for use in the operation of the Circle K Business, and the information contained therein, trade secrets, information, data, software, technology, materials, know-how, ideas, techniques, procedures, marketing plans, strategic plans, research methods, methods of operation,

improvements, and copyrighted materials (whether published, confidential, or suitable for registration or copyright), and the goodwill associated with them, information concerning the pricing structure, advertising, and promotional discounts relating to items offered at the Circle K Business, and any other information and material concerning the Business System or that Franchisor may designate as confidential or that a reasonable person would consider confidential (due to nature of the information and/or circumstances of disclosure).

9. **"Conversion Business"** means an operating convenience store/motor fuel station not currently operated under the Marks as of the Effective Date that is being converted to a Circle K Business pursuant to the terms and conditions contained herein.

10. **"Effective Date"** means the date that this Agreement is executed by Franchisor, unless otherwise specified on the signature page hereto.

11. **"Electronic Point of Sale and Software Agreement"** means the agreement set forth in Exhibit 2 attached hereto.

12. **"Existing Circle K Business"** means an existing convenience store/car wash/motor fuel business currently controlled, owned, or operated by Franchisor or its Affiliate, and operating under the Marks as of the Effective Date.

13. **"Good Standing"** means that all amounts of money due and owing to Franchisor or its Affiliates by Franchisee have been paid and that Franchisee is not otherwise in default hereunder or in violation of any of the material provisions set forth herein or in the Business Systems Manuals.

14. **"Gross Sales"** means the total dollar revenue from the sale of all goods, wares, merchandise, and services (including car wash services) sold, whether sold for cash, for payment by check, on credit, on barter or otherwise, without reserve or deduction for the inability or failure to collect from customers, and all other items of value received by Franchisee as payment in the course of such operations (including, without limitation, handling and placement fees and fees for the operation of coin-operated and other machines), excluding the following: (i) revenue from sales of motor fuel, money orders, lottery, pay phones, ATMs, postage stamps, pre-paid phone cards, gift cards, and gaming machines; (ii) revenue from sales from other approved royalty-based franchises that require separate point-of-sale equipment as part of their business system (excluding any approved Additional Business that is subject to the separate Co-Branded Fee as set forth in Section 5.3); (iii) the amount of any authorized cash or credit refunds made upon transactions that were previously included in Gross Sales, not exceeding the selling price of merchandise returned by the customer and accepted, which refunds may be deducted from Gross Sales in the Accounting Period made; and (iv) the amount of any separated, collected, and stated city, county, state, or federal sales, luxury, or excise tax on such sales, which Franchisee pays directly to the governmental taxing authorities rather than to its suppliers; provided, however, that no franchise or capital-stock tax or any other similar tax based upon income, profits, or gross sales shall be deducted from Gross Sales. Notwithstanding the foregoing, Franchisor may, in its sole discretion, from time to time approve in writing that with respect to certain products or services, Gross Sales shall be calculated on the basis of earnings as opposed to sales proceeds. If applicable law prohibits

collection of royalty fees on sale of alcoholic beverages from the Circle K Business, the definition of Gross Sales will not include any income from the sale of alcoholic beverages.

15. **"Guarantor" or "Guarantors"** means all persons or entities that execute a Personal Guaranty attached as Exhibit 5.

16. **"Key Individual"** means (a) Franchisee, if Franchisee is an individual, or (b) an individual designated by Franchisee with the authority and responsibility for the operation and management of the Circle K Business and identified by name on the signature page of this Agreement, if Franchisee is a legal entity. The Key Individual must be a person authorized to represent and bind Franchisee in all matters arising under this Agreement (including all related agreements) and all matters relating to the Circle K Business.

17. **"Marks"** means the name "Circle K," and certain other distinctive trademarks, trade names, service marks, copyrights, interior and exterior building designs and specifications (including the unique motif, décor, and color combinations that comprise the trade dress of Circle K businesses), slogans, logos, social media indicators, social media handles and commercial symbols together with all goodwill associated therewith, as identified in the Business Systems Manuals or otherwise by Franchisor in writing.

18. **"Methods"** means the unique and distinguishing characteristics and methods for the operation of Circle K businesses, including without limitation, exterior and interior construction designs, equipment layout, operating methods, services, advertising and promotional materials, sales techniques, signs, personnel management and control systems, and bookkeeping and accounting systems, and systems for inventory control.

19. "**Motor Fuel Sales**" means the total dollar income from the sale of all motor fuel, whether sold for cash, for payment by check, on credit, on barter or otherwise, without reserve or deduction for the inability or failure to collect from customers, and all other items of value received by Franchisee as payment in the course of such operations, excluding the amount of any separated, collected, and stated city, county, state, or federal sales, luxury, or excise tax on such sales, which Franchisee pays directly to the taxing authorities rather than to suppliers; provided, however, that no franchise or capital-stock tax or any other similar tax based upon income, profits, or gross sales shall be deducted from Motor Fuel Sales.

20. **"New Circle K Business"** means a convenience store/car wash/motor fuel station that is not a Conversion Business, but is to be constructed and operated under the Marks and the Business System pursuant to the terms of this Agreement and the Motor Fuel Agreement.

21. "**Open Date**" means the date on which the Franchisor deems the Circle K Business to have first opened for business, in accordance with the terms hereof.

22. **"Principal Equity Holders"** means, if Franchisee is a corporation, the shareholders of such corporation owning directly or beneficially 10% or more of such corporation's stock upon the Effective Date or at any time thereafter, and, if Franchisee is a partnership, limited partnership, limited liability company or other entity, the holders that own, directly or indirectly, 10% or more of the equity interests in such entity, as of the Effective Date or at any time thereafter.

23. **"Techniques"** means the Methods, together with the Confidential Information, owned by Franchisor and its Affiliates and licensed by Franchisor to its franchisees for the operation of Circle K businesses.

24. **"Transfer Date"** means (a) the date on which the Circle K Business is transferred to Franchisee hereunder, if the Circle K Business is an Existing Business, or (b) the date the Circle K Business is transferred to a new franchisee if the Circle K Business is being transferred or sold to a third party in accordance with the terms hereof.

Exhibit 1 to Convenience Store and Motor Fuel Franchise Agreement

DATA SHEET

1. **Franchisee:** _____
_____
_____
_____

2. **Franchised Location**. As referred to in Section 2.1 of the Franchise Agreement, the Franchised Location is: _____

3. **Open Date.** As referred to in Section 3.1 of the Franchise Agreement, the Open Date of the Circle K Business is: _____

4. **Expiration Date.** As referred to in Section 3.1 of the Franchise Agreement, the Expiration Date of the Franchise Agreement is: _____

5. **Initial Franchise Fee.** As referred to in Section 5.1 of the Franchise Agreement, Franchisee will pay Franchisor an Initial Franchise Fee in the amount of $ _____

6. **Funding.** As referred to in Section 7.6 of the Franchise Agreement, Franchisee accepted the following amount of Funding from Franchisor: $_____.

7. **Royalty Fee.** As referred to in Section 5.2 of the Franchise Agreement and subject to any increases to the Royalty Fee as outlined in the Franchise Agreement, Franchisee's Royalty Fee, per Accounting Period, during the Term will be the greater of: a) (i) ___% of Accounting Period's Gross Sales and (ii) $0.0075 per gallon of the Accounting Period's Motor Fuel Sales, or b) $1,500.

8. **Security Deposit Amount/Other Security (under Motor Fuel Supply Agreement).**

Exhibit 2 to the Convenience Store and Motor Fuel Franchise Agreement

ELECTRONIC POINT OF SALE
AND
SOFTWARE AGREEMENT

This Electronic Point of Sale and Software Agreement (this "Agreement") is entered into by and between TMC Franchise Corporation, an Arizona corporation, with offices at 1130 West Warner Road, Tempe, Arizona 85284 ("TMC"), and «ContractName» ("Franchisee"), effective as of the Effective Date (as defined below).

1. POINT OF SALE EQUIPMENT

1.1 Equipment and Circle K Systems. TMC, as franchisor, has entered into a Convenience Store and Motor Fuel Franchise Agreement (the "Franchise Agreement") with Franchisee granting Franchisee the right to operate a convenience store and motor fuel business, and if applicable, a car wash business (hereinafter the "Circle K Business") at a specified location (the "Premises") utilizing the Circle K operating systems, point of sale systems and trademarks (collectively, "Circle K Systems").

1.1.1 Franchisee agrees to purchase or lease (for the term of the Franchise Agreement) and install on the Premises the electronic point of sale equipment and back office system as set forth on **Exhibit A** attached hereto (collectively, "Equipment"), to provide for, inter alia, electronic capture and transmission of transaction data for credit and debit cards, gift cards, electronic messages, inventory management, purchase, and sales reporting, in order to maintain the operation of the Circle K Business in accordance with the terms of the Franchise Agreement and related agreements. The Equipment includes card authorization systems and integrated retail store management systems, back office system, and any other retail point of sale systems as may be required by TMC from time to time. Franchisee agrees to upgrade and replace the Equipment from time to time as required under the Franchise Agreement.

1.1.2 Except as otherwise provided in Section 1.2, Franchisee acknowledges that TMC is not supplying, leasing, selling, supporting or maintaining the Equipment or providing training to Franchisee related thereto and TMC only requires that the Equipment be purchased or leased from designated third-party suppliers that provide appropriate training, support and maintenance and that the Equipment comply with the technical configurations established or approved by TMC to ensure that the Equipment is compatible with the Circle K Systems. If TMC is required to configure the Equipment for Franchisee, Franchisee will be obligated to reimburse TMC for the reasonable costs and expenses of such configuration, including, but not limited to, expenses for travel and lodging.

1.1.3 Any new or additional Equipment delivered to Franchisee or installed on the Premises shall become attachments, accessions, and/or accessories to the Equipment and shall be subject to the terms and conditions of this Agreement.

1.1.4 Franchisee agrees not to add additional hardware not identified on **Exhibit A** to the Equipment, TMC Software (as defined below), and Third-Party Software (as defined below) without TMC's prior written consent.

1.2 Equipment Use and Maintenance. The Equipment shall be used solely for the storage and transmission of point of sale data pertaining to the Circle K Business and such other uses as may be approved in advance by TMC. Franchisee is solely responsible for ongoing maintenance and repair of the Equipment and all related hardware, except that TMC agrees to provide the support and maintenance services set forth on **Exhibit D** and Franchisee agrees to pay the corresponding support and maintenance fees identified on **Exhibit D**. TMC may modify the support and maintenance services and/or fees upon 30 days' prior written notice to Franchisee. Franchisee is solely responsible for the replacement of items, including, but not limited to, ink, ribbons, invoice tickets, pin pads, cleaning cards, and papers for terminals. TMC shall not be responsible to Franchisee for any loss of funds or profits resulting from tampering with, malfunction or failure of the Equipment to operate properly. Except as provided on **Exhibit D**, Franchisee further agrees to pay all license fees and other charges required by manufacturers and third-party software licensors for the use, operation, and maintenance of the Equipment. For avoidance of doubt, Franchisee is solely liable for all damages caused by Franchisee's negligence or misuse of the Equipment.

1.3 Equipment Warranty Disclaimer. FRANCHISEE SPECIFICALLY ACKNOWLEDGES AND AGREES THAT TMC MAKES NO EXPRESS OR IMPLIED WARRANTY REGARDING MERCHANTABILITY OR FITNESS OF USE OF THE EQUIPMENT FOR ANY PURPOSE WHATSOEVER.

1.4 Franchisee Default; Termination. If Franchisee defaults under the Franchise Agreement or this Agreement, TMC may, at its option, (i) if the Equipment is leased, notify Franchisee that it agrees to assume and succeed to all of Franchisee's rights under the Equipment lease for all or any part of the remaining term of such Equipment lease or, (ii) if Franchisee has purchased the Equipment, notify Franchisee that it desires to exercise its option to purchase Franchisee's interest in the Equipment for its then-current fair market value. If the parties cannot agree as to the fair market value of the Equipment, then the parties agree that fair market value shall be determined by a qualified appraiser selected by the parties. If the parties cannot agree upon an appraiser, an independent qualified appraiser shall be appointed by a Judge of the United States District Court for the District in which the Circle K Business is located upon petition of either party. If this Agreement is terminated, TMC may require Franchisee to pay all fees associated with the disconnection and removal of the Equipment.

2. SOFTWARE LICENSES

2.1 TMC Software. Franchisee agrees to license and use the software designated by TMC from time to time to operate the Equipment ("TMC Software"). TMC may upgrade, change, or modify the TMC Software at any time upon sixty (60) days' advance written notice. Franchisee agrees to license from TMC the TMC Software identified in **Exhibit B** to this Agreement for a Software License Fee of Zero Dollars ($0) per Accounting Period (as such term is defined in the Franchise Agreement) payable to TMC at the same time when royalty payments are due for the preceding Accounting Period by (i) ACH account withdrawals from Franchisee's bank account,

or (ii) at TMC's election, by mail to TMC Franchise Corporation, P.O. Box 52085, Phoenix, Arizona 85072-2085. TMC reserves the right to increase the Software License Fee upon sixty (60) days' advance written notice.

2.2 License Grant for TMC Software. The foregoing license grant to Franchisee to use the TMC Software is subject to the following terms and conditions:

2.2.1 TMC grants Franchisee a license to use one copy of the TMC Software. The term "Use" means storing, loading, installing, executing, or displaying the TMC Software in accordance with the Business Systems Manual standards. Franchisee may not modify the TMC Software or disable any licensing or control features of the TMC Software. If TMS grants Franchisee the TMC Software license for "concurrent use", Franchisee may not allow more than the maximum number of authorized users to use the TMC Software concurrently.

2.2.2 The TMC Software is owned and copyrighted by TMC, its Affiliate(s), or its third-party suppliers. TMC has the right to license the use of the TMC Software to Franchisee. The license to Franchisee hereunder confers no title or ownership in the TMC Software and is not a sale of any rights in the TMC Software. TMC, its Affiliate(s) and/or its third-party suppliers may protect their rights in the TMC Software if Franchisee violates any of these license terms.

2.2.3 Franchisee may only make copies or adaptations of TMC Software for archival purposes or when copying or adaptation is an essential step in the authorized use of the TMC Software. Franchisee must reproduce all copyright notices in the original software on all copies or adaptations. Franchisee may not copy the TMC Software onto any bulletin board or similar system.

2.2.4 Franchisee may not disassemble or decompile the TMC Software unless it has obtained TMC's prior written consent. In some jurisdictions, TMC's consent may not be required for disassembly or decompilation. Upon request, Franchisee will provide TMC with reasonably detailed information regarding any disassembly or decompilation. Franchisee may not decrypt TMC Software unless decryption is a necessary part of the operation of the software.

2.2.5 This license will automatically terminate upon any transfer of the TMC Software without TMC's prior written consent. However, if a transfer is approved, then upon transfer, Franchisee must deliver the TMC Software, including any copies and related documentation, to the transferee. Transferee must accept the terms and conditions of this Agreement, or TMC's then-current edition of this Agreement, as a condition to the transfer.

2.2.6 This Agreement will terminate immediately if the Franchise Agreement terminates or expires for any reason. In addition, TMC may terminate this license upon notice for Franchisee's failure to comply with any of the terms and conditions of this Agreement. Upon termination, Franchisee must immediately deliver to TMC the

TMC Software, together with all copies, adaptations, and merged portions in any form.

2.2.7 Franchisee may not export or re-export the TMC Software or any copy or adaptation in violation of any applicable laws or regulations.

2.2.8 The TMC Software documentation has been developed entirely at private expense and is provided as "Commercial Computer Software" or "Restricted Computer Software". The TMC Software is delivered and licensed as "Commercial Computer Software" as defined in DFARS 252.227-7013 (OCT 1988), DFARS 252.211-7501 (MAY 1991) or DFARS 252.227-7014 (JUN 1995), as a "Commercial Item" as defined in FAR 2.101 (a), or as "Restricted Computer Software" as defined in FAR 52.227-19 JUN 1987) (or any equivalent agency regulation or contract clause), whichever is applicable. Franchisee has only those rights provided for such software and documentation by the applicable FAR or DFARS clause or this Agreement.

2.3 TMC Software Support.

2.3.1 During the term of this Agreement, TMC shall provide Franchisee, at no additional charge, copies of revised releases of the TMC Software (and related documentation) incorporating corrections, improvements, and enhancements to prior releases. Franchisee must install and use the revised release of the TMC Software within ninety (90) days of receipt. After one hundred twenty (120) days from the date TMC provides Franchisee with a revised release of the TMC Software, TMC may cease support for prior releases of the TMC Software.

2.3.2 All training on the TMC Software will be conducted under training programs provided for as part of the training contemplated in the Franchise Agreement.

2.3.3 TMC shall provide Franchisee with reasonable assistance and consultation to assist Franchisee in resolving problems that Franchisee may encounter in the authorized use of the TMC Software free of charge for a period of ninety (90) days from the date of this Agreement. Thereafter, reasonable ongoing support is included as a part of the services provided for in the Software License Fee. However, development, consulting, and special projects will be considered premium services and shall be subject to TMC's then prevailing time and materials charges, including reimbursement for all reasonable travel and living expenses incurred.

2.4 Warranty.

2.4.1 The following is TMC's Limited Software Warranty for the TMC Software:

LIMITED SOFTWARE WARRANTY

TMC represents and warrants that upon delivery the TMC Software shall be free from significant programming errors and defects in workmanship and materials. Notwithstanding the foregoing sentence, and although care has gone into the

development of the TMC Software, there is a possibility of error inherent in the production of work such as the TMC Software resulting from, among other things, statistical variability in certain estimating procedures and human factors involved in the compilation of the information. Therefore, except for TMC's gross negligence or willful misconduct, TMC shall not be liable to Franchisee for: (i) the completeness, currentness, or accuracy of the information in data bases as provided as a part of or with the TMC Software, or (ii) for any loss or injury caused, in whole or in part, by its procuring, compiling, collecting, interpreting, communicating, or delivering of the information produced by the TMC Software. TMC does not warrant that the TMC Software will be uninterrupted or error free. Except as provided above, (a) Franchisee hereby assumes all responsibility for the use of information contained in the system; (b) Franchisee assumes the entire cost for any damages resulting from the use of the information contained in the TMC Software; and (c) Franchisee assumes all responsibility for the selection of the information used with the TMC Software to achieve Franchisee's intended results, and for Franchisee's installation of, use of, and the results obtained from the TMC Software.

2.4.2 The following is TMC's Disclaimer and Limitation of Liability for Software:

DISCLAIMER AND LIMITATION OF LIABILITY

In the event of TMC's breach of the Limited Warranty stated in Section 2.4.1 above, TMC's sole obligation and Franchisee's sole remedy, at TMC's option, shall be to (i) refund to Franchisee the Software License Fees paid to TMC by Franchisee for that portion of the term of this Agreement that the TMC Software failed to function properly, or (ii) repair or replace the TMC Software, or part thereof.

THE WARRANTY STATED ABOVE IS IN LIEU OF ALL OTHER WARRANTIES, AND TMC DOES NOT MAKE, AND FRANCHISEE DOES NOT RECEIVE, ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, AND TMC SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

2.5 Third Party Software. Franchisee agrees to license from third parties the software identified on **Exhibit C** to this Agreement (the "Third Party Software"), and Franchisee agrees to pay to such third parties any license fees or other costs charged by them for the use of such Third-Party Software. The Third-Party Software will be subject to and governed by the terms of the respective software license agreements between Franchisee and/or TMC and the third-party software providers. Franchisee agrees to promptly upgrade any Third-Party Software to such newer version or a different software solution as may be required by TMC from time to time. TMC agrees to provide the support and maintenance services with respect to the Third-Party Software as specified in **Exhibit D** and Franchisee agrees to pay the corresponding support and maintenance fees set forth on **Exhibit D**. TMC may modify the support and maintenance services and/or fees upon 30 days' prior written notice to Franchisee.

2.6 Software Representations, Warranties, Covenants, and Indemnities.

2.6.1 Franchisee's Representations and Warranties; Indemnification.

2.6.1.1 Franchisee agrees not to use as part of the Circle K Systems any additional software not identified on **Exhibit B** and **Exhibit C**, without TMC's prior written consent.

2.6.1.2 Franchisee covenants that it will not knowingly violate any Federal, State or Local Law, Statute, Rule, Regulation and/or Ordinance in connection with its use of the TMC Software.

2.6.1.3 Franchisee shall indemnify and hold harmless, and at TMC's request, defend, TMC, its affiliates and their respective officers, directors, employees, agents and representatives and successors and assigns from and against any and all claims, damages, liabilities, expenses (including reasonable attorney's fees and costs of litigation), losses, judgments, assessments of any kind whatsoever (collectively "Claims") arising out of (a) Franchisee's breach of this Agreement and (b) subject to Franchisor's obligations under Section 2.6.2 below, any and all Claims by any third parties arising out of or in any way related to Franchisee's use of the Equipment, TMC Software or Third-Party Software hereunder. TMC shall give Franchisee appropriate notice of any such Claims of which TMC becomes aware.

2.6.2 TMC Intellectual Property Indemnification

2.6.2.1 TMC shall defend, or at its option settle, and indemnify Franchisee from and against any and all Claims that Franchisee may incur on the direct infringement or alleged direct infringement of any United States copyright of a third party as a result of Franchisee's authorized exercise of a TMC Software license granted to Franchisee by TMC herein; provided, that, (i) Franchisee gives TMC prompt written notice of such Claim, (ii) Franchisee gives TMC full authority to defend or settle any such Claim, (iii) Franchisee gives TMC proper and full information and assistance, at TMC's reasonable expense (except for Franchisee's employees' time) to defend or settle any such Claim, and (iv) Franchisee is not in breach of this Agreement (including without limitation the use restrictions set forth herein). Should Franchisee desire to have its own counsel participate in any such Claim, the cost of such counsel shall be born exclusively by Franchisee. TMC shall not be responsible for any costs or expenses incurred without its prior written consent.

2.6.2.2 If there is a Claim made or threatened, TMC may, at its expense and option, either, (i) procure the right to continue using any part of the TMC Software, (ii) replace the TMC Software with non-infringing items that are substantially similar in functionality (iii) modify the TMC Software so that it is non-infringing, or (iv) refund the Software License Fees paid by Franchisee for the current term of this Agreement.

2.6.2.3 Notwithstanding the foregoing provisions of this Section 2.6.2, TMC assumes no liability for (i) infringements covering any Equipment or software, method or process in which the TMC Software may be used but not covered in the TMC Software when used alone, (ii) infringements involving the modifications or servicing of the TMC Software or any part thereof, unless done by TMC, or (iii) if Franchisee is in breach of this Agreement (including without limitation the use restrictions set forth herein) or is in material breach of the Franchise Agreement.

2.6.2.4 THE FOREGOING PROVISIONS OF THIS SECTION 2.6.2 STATE THE ENTIRE LIABILITIES AND OBLIGATIONS OF TMC AND THE EXCLUSIVE REMEDIES OF FRANCHISEE WITH RESPECT TO ANY ALLEGED OR ACTUAL INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS BY THE TMC SOFTWARE ASSERTED BY A THIRD-PARTY OR RELATED RIGHTS ARISING OUT OF THIS AGREEMENT.

2.7 Limitation of Liability.

EXCEPT FOR TMC'S OBLIGATION TO INDEMNIFY FRANCHISEE UNDER SECTION 2.6.2, TMC'S TOTAL LIABILITY TO FRANCHISEE ARISING OUT OF THIS AGREEMENT WILL NOT EXCEED THE TOTAL SOFTWARE LICENSE FEES PAID BY FRANCHISEE FOR THE PREVIOUS SIX MONTHS. IN NO EVENT SHALL TMC BE LIABLE FOR COSTS FOR THE PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, LOSS OF PROFITS, LOSS OF BUSINESS, LOSS OF USE, LOSS OF DATA, INTERRUPTION OF BUSINESS, OR ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND ARISING OUT OF THIS AGREEMENT, HOWEVER CAUSED, AND ANY THEORY OF LIABILITY. THE LIMITS SET FORTH IN THIS SECTION 2.7 WILL APPLY EVEN IF TMC HAS BEEN ADVISED OF, OR HAS ANY CAUSE TO KNOW OF, THE POSSIBILITY OF SUCH LOSS AND NOT WITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

3. GENERAL PROVISIONS

3.1 Term. This Agreement is effective as of the Effective Date of the Franchise Agreement (the "Effective Date"). The term of this Agreement will continue for the lesser of (i) ten (10) years and (ii) the date of termination or expiration of the Franchise Agreement. This Agreement may be renewed for a renewal term of duration equal to that of the Franchise Agreement.

3.2 Termination. If at any time during the term of this Agreement, there is a material breach of any of the terms hereof, the non-breaching party shall notify the other party of such breach. If the breach is not remedied within thirty (30) days of such notice, the non-breaching party may terminate this Agreement upon notice. If the breach is of a nature that it is not capable of cure within thirty (30) days, the breaching party shall be entitled to an additional period of not to exceed ninety (90) days to effectuate the cure; provided said party has commenced to cure and continuously and diligently proceeds to effectuate the cure.

3.3 Return of Materials. Upon expiration or termination of this Agreement for any reason, Franchisee shall return to TMC, or at TMC's request, destroy, all copies of the TMC Software in its possession together with all documentation and other materials delivered hereunder, including any updates hereof, and excerpts of and/or extracts from the system. At the time of such return or destruction, Franchisee shall deliver to TMC a certificate executed by an officer, general partner, or sole proprietor, as the case may be, attesting to the fact that all copies of, excerpts of, and extracts from the TMC Software in Franchisee's possession have been returned to TMC or destroyed as provided for hereunder.

3.4 Governing Law and Jurisdiction. This Agreement will be governed by and interpreted under the Laws of the State of Arizona without reference to conflict of laws principles.

3.5 No Oral Modification. No modification of this Agreement, or any waiver of any rights, will be effective unless consented to in writing by the party to be charged.

3.6 No Waiver. No waiver of any breach or default will constitute a waiver of any other right hereunder or any subsequent breach or default.

3.7 Partial Invalidity. If any provision of this Agreement is held to be invalid by any court of competent jurisdiction, then the remaining provisions shall nevertheless remain in full force and effect.

3.8 Notices. All notices required or permitted to be given under this Agreement to TMC will be in writing and will be made by overnight courier service, personal service upon an officer, or sent by prepaid registered or certified United States mail to any such officer of TMC, and will be deemed to have been duly given 24 hours after being sent by overnight courier service or five (5) days after being deposited in the United States mail for certified or registered delivery, addressed to TMC at 1130 West Warner Road, Tempe, Arizona 85284, Attention: Worldwide Franchising Group. All notices required or permitted to be given under this Agreement to Franchisee will be made by personal service upon Franchisee or, if applicable, an officer or director of Franchisee or sent by overnight courier service, personal service or prepaid registered or certified United States mail addressed to Franchisee at the Premises, or such other address as Franchisee may designate in writing. Notice delivered by a delivery service that requires a written receipt signed by the addressee will be deemed to have been personally served under this Agreement. TMC may provide notice or other information to Franchisee by electronic or telephonic means including by facsimile or through the Internet or other online means.

3.9 Independent Contractors. The relationship of the parties hereunder is that of independent contractors, and neither party is an employee, agent, partner, or joint venturer of the other.

3.10 Uncontrollable Events. Neither party shall be liable to the other party for any loss or damage or penalty resulting from acts of God or other causes beyond such party's reasonable control.

3.11 Export Restrictions. Franchisee agrees to comply with all export and re-export restrictions and regulations of the United States Department of Commerce or other United States agency or authority, and will not transfer or authorize the transfer of, the TMC Software or any

part thereof to a prohibitive country or otherwise in violation of any restrictions and regulations of applicable laws.

3.12 No Assignment. Except if this Agreement is being transferred by Franchisee in connection with an authorized Transfer under the Franchise Agreement, Franchisee shall not assign its rights or obligations under this Agreement without the prior written consent of TMC, which may be withheld in TMC's sole and exclusive discretion. Any attempt to assignment in violation of the provisions of this section will be void. Franchisee agrees to give TMC not less than sixty (60) days' notice of any such purported request for assignment. Subject to the foregoing, the rights and liabilities the parties will bind and inure to the benefit of their respective successors or permitted assigns.

3.13 Confidentiality. Franchisee agrees that the terms and conditions of this Agreement are confidential, and that Franchisee may not disclose the contents of this Agreement without the prior written consent of TMC, except as required by law after seeking any available confidential treatment.

3.14 Section Headings, Counterparts, and Interpretations. The section headings contained in this Agreement are inserted for reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. This Agreement has been negotiated by the parties and will be interpreted fairly in accordance with its terms and without any strict construction in favor of or against either party.

3.15 Entire Agreement. This Agreement and the attached Exhibits, which are incorporated herein by this reference, constitute the entire and exclusive statement of the terms and conditions relating to Franchisee's use of the Equipment and the TMC Software and supersedes all prior oral and written statements of any kind whatsoever made by the parties with respect thereto.

This Agreement is accepted and made effective as of the Effective Date.

IN WITNESS WHEREOF each party has caused this Agreement to be executed by its duly authorized representative.

TMC FRANCHISE CORPORATION an Arizona Corporation	**FRANCHISEE** «ContractName»
By: _____ Mitch Filiere Asst. Secretary, TMC Franchise Corporation	By: _____ Title:_____
Effective Date: _____	Date _____
	By _____
	Title _____
	Date _____

TMC Franchise Corporation
Store System EPOS and Back Office System Components
Store Internet Access Components

Exhibit A to Electronic Point of Sale and Software Agreement – Equipment

Hardware

Two Integrated Radiant Point of Sale Register Systems
Two Pin Pads (Debit Card Processing)
Three Power Conditioners
Two Sales Counter Scanners
Hand-Held Scanning Unit (Grocery Order)
Hand-Held Scanning Unit (Mdse. Rec. & Inventory)
Pump Interface Module
Back Office PC with Standard Memory/Disk Capacity
Multimedia sound kit
PC Speakers
Back Office PC Monitor
Phone/DSL/Cable 26’
DSL Cable or High-Speed Internet Connection
Parallel Printer Cable
Laser Printer (Reports/Labels)
Surge Protection /Power Conditioner
Plain Paper Fax/Copier Machine
8 Port Switching Hub/Broadband Router
Universal Payment Backup Credit Device
Pentium PC for Internet Access

Exhibit B to Electronic Point of Sale and Software Agreement – TMC Software

Software

CD-ROM On Line Based Training Suite
On-Line Forms Library
On-Line Operations Manuals
On-Line Sales Affidavit
CircleKFranchise.com website access

Exhibit C to Electronic Point of Sale and Software Agreement – Third Party Software – Franchisee Licensed

Software

Integrated Radiant Point of Sale Register System
PDI Back Office System Software
Price Book and Inventory System
PC Anywhere
FTP Client Software
MS Word Viewer
MS Excel Viewer
Adobe Acrobat Reader
Windows (or designated) Operating System
MS DOS Operating System
Internet Web Browser
Internet Service Provider
Broadband communication monthly service
Network security licenses
Loyalty program licenses
Network security software

Exhibit D to Electronic Point of Sale and Software Agreement – Maintenance and Support Services and Fees

Maintenance and Support Services:

- basic maintenance and support services on the following equipment: point of sale equipment, scanners, network switch, broadband router and backup credit device
- IT help desk support services
- Price book support services
- basic support services regarding point of sale and back-office software, including network security software and loyalty program software
- broadband communication service support

Maintenance and Support Fees: $___ [1] per Accounting Period (as such term is defined in the Franchise Agreement).

[1]currently $600 - $1,000 per Accounting Period depending on Circle K Business store configuration, number of equipment etc.

Exhibit 3 to the Convenience Store and Motor Fuel Franchise Agreement

ELECTRONIC FUNDS TRANSFER AUTHORIZATION

_____ hereinafter called "We" ("our" or "us"), located at _____ hereby authorize CIRCLE K STORES INC. hereinafter called "CIRCLE K" or "you", to initiate debit entries to our bank account number _____ at the depository named below, hereinafter called "Depository", which in turn shall debit the same to such account. These debit entries will be in the form of electronic debit.

DEPOSITORY:

INSTITUTION NAME: _____

ABA#: _____

Branch: _____

Street Address: _____

City/State/Zip: _____

Phone Number: _____

You are hereby authorized, as a convenience to us, to debit and credit our account for drafts on our account by the WELLS FARGO BANK NA as agent for CIRCLE K with CIRCLE K as payee, provided there are sufficient collected funds in such account to pay the same upon presentation. This authorization will remain in effect until revoked by us in writing, and you actually receive such notice. I agree that you shall be fully protected in honoring any such draft.

This Authorization Agreement allows CIRCLE K to debit and credit this account at frequent intervals for varying amounts. It is acknowledged and accepted that: CIRCLE K may debit our account on or after the due date defined by the terms of our franchise agreement and other agreements with TMC Franchise Corporation; **there will be a $50 charge for any draft returned unpaid by your depository.** By signing this form, we in no way relinquish any legal right to dispute any item. This authority is to remain in full force and effect until CIRCLE K and Depository have received written notification from us of our termination in such time and in such manner as to afford CIRCLE K and Depository a reasonable opportunity to act on it.

_____ **CUSTOMER NAME**	_____ **DATE**
_____ **AUTHORIZED NAME (PLEASE PRINT)**	_____ **EMAIL ADDRESS FOR EFT NOTICES**
_____ **AUTHORIZED SIGNATURE**	_____ **PHONE NUMBER**
_____ **TITLE**	_____ **COST CENTER NUMBER**

NOTE: PLEASE ATTACH A VOIDED CHECK FOR THE REFERENCED ACCOUNT IN ORDER TO ENSURE YOUR ACCOUNT IS PROPERLY AND ACCURATELY DEBITED.

Exhibit 4 to the Convenience Store and Motor Fuel Franchise Agreement

FUNDING AGREEMENT

This Funding Agreement (the "Agreement") is entered into by and between «ContractName» ("Franchisee"), and TMC Franchise Corporation, an Arizona corporation ("Franchisor"), effective as of the date this Agreement is signed by Franchisor (the "Effective Date").

RECITALS

A. Contemporaneously herewith, Franchisee and Franchisor are entering into a Circle K Convenience Store and Motor Fuel Franchise Agreement (together with all addenda, amendments and modifications thereto, the "Franchise Agreement") pertaining to Site Number «Site_Number», located at «Address1» «City», «State» «PostalCode» (the "Site").

B. Contemporaneously herewith, Franchisee and Franchisor are also entering into a Circle K Motor Fuel Supply Agreement (together with all addenda, amendments and modifications thereto, the "Motor Fuel Agreement"), pursuant to which Franchisee is being granted the right, and undertaking the obligation, to sell Circle K motor fuel at the Site.

C. Franchisor has offered and Franchisee now wishes to accept loans and other credit accommodations (each, a "Funding") in an amount of not more than $350,000 (the "Maximum Amount"), subject to the terms hereof.

D. Franchisor and Franchisee acknowledge and agree that each Funding will be used by Franchisee or Franchisor, on behalf of Franchisee, to acquire, from Franchisor or approved third parties, certain pre-approved equipment, other personal property and fixtures, and construction at the Site, to pay for related construction and other labor at the Site, and for other items approved by Franchisor, in each case incurred before the Open Date, as defined in the Franchise Agreement ("Permitted Purposes").

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises of the parties and for value received, Franchisee and Franchisor agree as follows:

1. DEFINITIONS. As used in this Agreement, terms defined in or pursuant to Article 9 of the UCC that are not otherwise defined herein shall have the meanings given them in or pursuant to Article 9 of the UCC. In addition:

"Amount Funded" means the aggregate amount of the Funding actually provided hereunder.

"Collateral" means all right, title and interest of Franchisee in and to accounts, chattel paper, documents, equipment, general intangibles, instruments, inventory, investment property, letter-of-credit rights and letters of credit, in each case whether

Franchisor now has or hereafter acquires ownership or other rights therein, including but not limited to Financed Equipment Collateral.

"Financed Equipment Collateral" means all goods (i) sold by Franchisor to Franchisee at any time pursuant to this Agreement, or (ii) purchased by Franchisee in whole or in part with proceeds of any loan or advance by Franchisor to Franchisee pursuant to this Agreement, regardless of whether such proceeds are paid by Franchisor directly to a seller, by Franchisor to Franchisee to enable the purchase of such goods, by Franchisor to Franchisee to replenish funds expended by Franchisee for such purchase, or otherwise, together with all additions, substitutions and replacements thereof, and all attachments, components, parts, and accessories and other goods installed thereon or affixed thereto or intended to be installed thereon or affixed thereto, in each case regardless of whether such goods constitute "purchase-money collateral" as defined in the UCC.

"Open Date" has the meaning specified in the Franchise Agreement.

"Outstanding Amount" means, at any time, the Amount Funded, less any prepayments pursuant to Section 3(c) and any reductions deemed to have occurred pursuant to Section 3(a).

"Royalty Fee" has the meaning specified in the Franchise Agreement.

"UCC" means the Uniform Commercial Code as adopted in the jurisdiction designated in the Franchise Agreement as the law governing the Franchise Agreement, or, as applicable, in any other state the laws of which are required to be applied in connection with the creation or perfection of security interests.

2. FUNDING. Franchisor shall designate, or Franchisee may from time to time request Fundings in accordance with this Agreement in such form as Franchisor may require. The decision as to whether to grant any such request shall be in the sole discretion of Franchisor. Without limiting Franchisor's discretion, Franchisee acknowledges that Franchisor does not intend to designate any Funding or honor any request for a Funding if (i) after honoring such request, the Amount Funded would exceed the Maximum Amount, (ii) the Franchise Agreement has terminated, or any event has occurred and is then continuing that would (or would, but for the passage of time, the giving of notice or both) permit Franchisor to terminate the Franchise Agreement, or (iii) the Fundings will not be used for Permitted Purposes. Franchisor may change the Maximum Amount at any time in its sole discretion based on Franchisor's verification of the square footage and/or gross sales of Franchisee's Circle K business. Franchisee shall use Fundings hereunder solely for Permitted Purposes. Franchisee acknowledges that Franchisor may, in its discretion, pay the proceeds of any Funding directly to the applicable suppliers and other payees intended to be paid with the proceeds of such Funding.

3. REDUCTIONS AND PAYMENT.

(a) So long as the Site is open and operating in full compliance with the terms of both the Franchise Agreement and Motor Fuel Agreement as of each such date and no event has occurred and is then continuing that would permit Franchisor to terminate the Franchise Agreement or Motor Fuel Agreement, the Outstanding Amount shall automatically be deemed reduced (i) on the day following the third anniversary of the Open Date, by an amount equal to 30% of the Amount Funded, and (ii) on the last day of each

month thereafter until the Outstanding Amount has been reduced to $0, by an amount equal to 1/120th of the Amount Funded (or, if less, the then-applicable Outstanding Amount).

(b) Upon termination of the Franchise Agreement or Motor Fuel Agreement before the tenth anniversary of the Open Date for any reason, including as a result of the sale of Franchisee's business to a third party, Franchisee shall repay to Franchisor the entire Outstanding Amount, together with all Royalty Fees, Promotional Fees (each term as defined in the Franchise Agreement) and any other fees (including, without limitation, liquidated damages) due under the terms of the Franchise Agreement.

(c) Franchisee may at any time prepay Fundings in whole or in part. Any partial prepayment shall be applied to the deemed reductions of the Fundings hereunder in inverse order of maturity. No such prepayment shall reduce the amount of any Royalty Fees payable under the Franchise Agreement (including the rate at which such Royalty Fees are determined).

(d) Franchisee will pay when due or reimburse Franchisor on demand for all costs of collection of any of the obligations secured hereby and all other out-of-pocket expenses (including in each case all reasonable attorneys' fees) incurred by Franchisor in connection with the creation, perfection, satisfaction, protection, defense or enforcement of this Agreement or the security interest granted hereby, including expenses incurred in any litigation or bankruptcy or insolvency proceedings.

4. SECURITY INTEREST.

(a) To secure the payment of all debts, liabilities and obligations now or hereafter owing by Franchisee to Franchisor, whether under this Agreement, the Franchise Agreement, the Motor Fuel Agreement or otherwise, whether such debt, liability or obligation now exists or is hereafter created or incurred and whether it is or may be direct or indirect, due or to become due, or absolute or contingent, Franchisee grants to Franchisor a security interest in the Collateral.

(b) Franchisee, at its own cost and expense, shall (i) maintain the Collateral in good repair and operating condition, (ii) replace any Collateral that is stolen, lost, destroyed or damaged beyond repair, which replacement Collateral shall become property of Franchisor, (iii) replace any parts of the Collateral which become worn out, lost, destroyed or damaged, which replacement parts shall become property of Franchisor, (iv) not sell or otherwise dispose of any Collateral or any interest therein without the prior written consent of Franchisor, except that, until the revocation by Franchisor of Franchisee's right to do so (which notice may be given at any time in Franchisor's sole discretion), Franchisee may sell any inventory constituting Collateral to buyers in the ordinary course of business, (v) file the necessary tax returns and pay any property taxes associated with the Collateral, and (vi) obtain insurance coverage for the Collateral as required by the insurance requirements of the Franchise Agreement. Franchisee shall not sell or otherwise dispose of any Collateral or any interest therein, or grant or suffer to exist any security interest or other lien thereon, other than the security interest granted hereunder, without the prior written consent of Franchisor, except that, until the occurrence of a default in the performance of any debt, liability or obligation secured hereby and the revocation by Franchisor of Franchisee's right to do so, Franchisee may sell any inventory constituting Collateral to buyers in the ordinary

course of business.

(c) Franchisee has no commercial tort claims as of the date hereof. Promptly upon obtaining knowledge thereof, Franchisee will deliver to Franchisor notice of any commercial tort claim that Franchisee acquires, including a summary of the facts giving rise to such commercial tort claim, an estimate of Franchisee's damages, copies of any complaint or demand letter submitted by Franchisee, and such other information as Franchisor may request. Upon request by Franchisor, Franchisee will grant Franchisor a security interest in all commercial tort claims that it then has.

(d) Without limiting Franchisor's right to file financing statements otherwise in accordance with the UCC, Franchisee authorizes Franchisor to file financing statements designating the collateral as "all personal property" or "all assets" of Franchisee, and authorizes, ratifies and approves any financing statement filed by Franchisor on or prior to the date of this Agreement.

(e) Franchisee shall from time to time execute and deliver such further assignments, control agreements and other documents (including but not limited to control agreements, original notes and other evidence of obligations owing to Franchisee, and documents for filing in applicable real estate records) as Franchisor reasonably requests to evidence, perfect or otherwise protect the security interest granted hereunder.

5. NO WARRANTIES. FRANCHISOR DOES NOT MAKE ANY EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND REGARDING ANY GOODS OR SERVICES PURCHASED WITH THE FUNDED AMOUNT, WHETHER OR NOT PROVIDED BY OR SOLD THROUGH FRANCHISOR, AND FRANCHISOR SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. AS BETWEEN FRANCHISEE AND FRANCHISOR, FRANCHISEE AGREES TO ACCEPT ALL SUCH GOODS AND SERVICES WITHOUT ANY REPRESENTATION OR WARRANTY AND ON AN "AS-IS, WHERE-IS" BASIS.

6. LIMITATION OF REMEDIES. IN NO EVENT SHALL FRANCHISOR BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR SIMILAR DAMAGES OF ANY KIND ARISING UNDER OR IN ANY WAY RELATED TO THIS AGREEMENT, WHETHER FOR BREACH OF ANY WARRANTY, FOR BREACH OR REPUDIATION OF ANY OTHER TERM OR CONDITION OF THIS AGREEMENT, FOR NEGLIGENCE, ON THE BASIS OF STRICT LIABILITY, OR OTHERWISE.

7. GOVERNING LAW/DISPUTE RESOLUTION. Franchisee and Franchisor acknowledge and agree that the choice of law and dispute resolution provisions contained in the Franchise Agreement will govern any disputes arising out of or relating to this Agreement. As such, the choice of law and dispute resolution provisions contained in the Franchise Agreement are incorporated herein by reference.

8. NOTICES. Any notice to Franchisee under this Agreement shall be to the Site address or such other address as may be designated by Franchisee in writing and shall be deemed to have been given on the date delivered in the case of personal delivery or, if mailed, one day after deposited in first class or certified mail. Notices to Franchisor shall be to: TMC Franchise Corporation, 1130 West Warner Road, Tempe, AZ 85284, or such other address as may be

designated by Franchisor in writing.

9. MODIFICATION/ SEVERABILITY. No supplement, modification, assignment or amendment to this Agreement shall be binding unless executed in writing by both parties. The provisions of this Agreement shall be severable if any provision hereof is held by a court or arbitrator of competent jurisdiction to be invalid, void or otherwise unenforceable, and the remaining provisions shall remain enforceable to the fullest extent permitted by law.

10. REPRESENTATIONS AND WARRANTIES. The parties executing this Agreement represent and warrant that they have full authority to bind and enter into this Agreement and fully perform the obligations set forth herein.

11. SUCCESSORS AND ASSIGNS. The terms of this Agreement shall inure to the benefit of and shall be binding upon the successors and permitted assigns of Franchisee and Franchisor. Franchisee may not assign this Agreement (by operation of law, via a change of control transaction or otherwise) without the prior written consent of Franchisor. Notwithstanding the foregoing, if Franchisor permits Franchisee to assign the unamortized portion of the Amount Funded, and this Agreement, to a purchaser of Franchisee's business, Franchisee shall remain bound by all the terms and conditions of this Agreement and shall be liable for all obligations under this Agreement if the purchaser/assignee fails to fulfill its obligations hereunder.

IN WITNESS WHEREOF, Franchisee and Franchisor hereby executed this Agreement as of the Effective Date:

FRANCHISOR:
TMC Franchise Corporation

Signature: _____
Mitch Filiere, Asst. Secretary

Effective Date:_____

FRANCHISEE:
«ContractName»

Signature: _____

Title:_____

Date:_____

Signature: _____

Title:_____

Date:_____

Signature: _____

Title:_____

Date:_____

Exhibit 5 to Convenience Store and Motor Fuel Franchise Agreement

PERSONAL GUARANTY

[*Attached as Exhibit I to this Franchise Disclosure Document*]

Exhibit 6 to Convenience Store and Motor Fuel Franchise Agreement

MOTOR FUEL SUPPLY AGREEMENT

(*Attached as Exhibit G to this Disclosure Document*)

Exhibit 7 to Convenience Store and Motor Fuel Franchise Agreement

CREDIT NETWORK AGREEMENT

This Credit Network Agreement (the "Agreement") is made and entered into as of the Effective Date (as set forth on the signature page hereto) and is by and between TMC Franchise Corporation ("TMC") and _____ ("Purchaser"). All capitalized terms not defined in this Agreement will have the meanings ascribed to them in the Franchise Agreement (defined below).

1. TMC's Credit Card Program. Purchaser agrees to participate fully in and comply with the terms and conditions of TMC's program regarding acceptance and processing of payments in connection with customer purchases of products and services of the Circle K Business using credit cards, debit cards, stored value cards and all other types of transaction payment cards that have been approved by TMC or its affiliates from time to time, as such program may be modified from time to time by TMC or its affiliates (the "Credit Card Program"). For the purposes of this Agreement, the terms "credit card" or "credit cards" will mean and include, where applicable, the credit cards, debit cards, stored value cards and all other types of transaction payment cards that have been approved by TMC or its affiliates from time to time under the Credit Card Program. Purchaser will immediately forward all customer applications for Circle K®-branded credit cards to TMC for approval and card issuance by TMC or its designee ("Circle K® credit cards"). The termination or expiration of this Agreement will automatically terminate all rights of Purchaser with respect to any Credit Card Program, including without limitation, all rights of Purchaser to process credit card charges with TMC or its affiliates. Purchaser's participation in any Credit Card Program will be subject to all of the terms and conditions established from time to time by TMC or its affiliates. Purchaser shall accept all credit cards designated by TMC and will, in addition to the terms and conditions contained in this Agreement, be fully subject to and will comply with all card agreements in force between TMC or its affiliates and VISA, MasterCard, American Express, other card issuers and/or any bank, and these card agreements are expressly incorporated herein by reference. Purchaser shall not discriminate in any manner against Circle K® credit card holders as opposed to the holders of any other credit card, such as bank credit cards, that Purchaser is authorized to accept.

2. Term. This Agreement shall be effective commencing on the Effective Date and, except as set forth in paragraph 6 below, shall remain in effect for the same term (including any extensions thereof) as the CIRCLE K® Convenience Store and Motor Fuel Agreement between TMC and Purchaser entered into concurrently herewith (the "Franchise Agreement"), pursuant to which Purchaser has received the right to use the Circle K marks and the Circle K business system to operate a convenience store and motor fuel business (the "Circle K Business") at the premises identified therein (the "Premises").

3. Purchase and Use of Equipment.

(a) Purchaser shall purchase the approved credit and debit card electronic credit authorization terminals and related peripheral equipment (the "Equipment") from TMC or its designee and shall pay for the installation of the credit authorization terminals, by an installer selected by TMC, at the Premises. The Equipment will be sold to Purchaser at the prices and on the terms established by TMC or its designee from time to time. Within 30 days after receiving written notice from TMC, Purchaser shall install all updated credit and debit card equipment for the Circle K® Credit Card Program specified by TMC in writing. As part of the Equipment, TMC may provide Purchaser with certain proprietary or third-party software or firmware and access to TMC's network (the "TMC Network"). Purchaser understands and agrees that, in connection with its use of the Equipment and the TMC Network, Purchaser must comply with TMC's instructions and guidelines from time to time communicated to Purchaser hereunder, whether communicated in written or electronic form (such guidelines and instructions referred to collectively as the "Card Guide"), and failure by Purchaser to comply with the Card Guide constitutes a default under this Agreement. The parties acknowledge and agree that the maintenance and support fees payable by Purchaser under the Electronic Point of Sale and Software Agreement (executed by the parties simultaneously herewith) ("EPOS Agreement") include certain maintenance and support services with respect to the Equipment and the TMC Network as more specifically set forth in, and subject to the terms and conditions of, the EPOS Agreement; provided, that any such maintenance and support services are also subject to the terms and conditions of this Agreement.

(b) Purchaser understands that the Equipment may include software that is proprietary to TMC or a designated third-party supplier, and Purchaser has no right, title, or ownership interest in such software and agrees

that it will neither attempt to copy, modify, reverse engineer, decompile, disassemble or otherwise attempt to derive the source code of such software, nor will Purchaser attempt to place any lien or other encumbrance on or sell any Equipment. Any lien, other encumbrance or sale by Purchaser of any such Equipment shall be void.

(c) TMC MAKES NO EXPRESS OR IMPLIED WARRANTIES AS TO THE CAPABILITY, EFFICIENCY, PERFORMANCE, OR FITNESS FOR PARTICULAR PURPOSE OF THE TMC NETWORK, THE SALES TRANSACTION AUTHORIZATION SERVICE, CONNECTION TO THE TMC NETWORK, ITS SALES TRANSACTION DATA CAPTURE SERVICE OR ANY CREDIT/DEBIT EQUIPMENT PROVIDED HEREUNDER, IF ANY. TMC WILL NOT BE LIABLE TO PURCHASER IN CONTRACT OR IN TORT FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOST PROFITS, ARISING OUT OF THIS AGREEMENT. TMC will not be responsible in any way for, or have any liability arising out of the use of, any equipment including, without limitation, terminals, supplies or peripheral equipment that Purchaser purchases, leases or otherwise acquires as part of its obligations hereunder.

(d) TMC reserves the right to make any changes or modifications in the TMC Network or the method by which Purchaser is provided access to the TMC Network, and Purchaser agrees to permit TMC to alter any Equipment to accommodate such changes or modifications, at Purchaser's expense.

4. Assignment of Credit Card Charges; Processing and Per-Transaction Fees. Purchaser agrees to assign, and TMC, or TMC's designee, agrees to purchase from Purchaser, the credit card sales invoices and the underlying credit card sales accounts for all Circle K® credit card charges and other approved credit card charges made by cardholders at the Premises for 100% of the total dollar amount shown on the face of the credit card sales invoices that have been prepared and submitted to TMC or its designee in accordance with the terms and conditions of this Agreement. TMC will credit Purchaser's trade account with TMC for the amount of the payment due to Purchaser for the purchase of credit card sales invoices and the underlying credit card sales accounts by TMC. Purchaser will submit to TMC or its designee the original copies of all credit card sales invoices except as otherwise directed by TMC. It is understood that there will not be a merchant copy of "pay at the pump" credit card transactions or for transactions under certain dollar amounts specified from time to time by TMC. TMC will also purchase and accept assignments by Purchaser of retail credit card sales invoices from the cardholders of VISA, MasterCard, American Express, and the other credit cards approved by TMC in writing.

Purchaser will pay to TMC or its designee a processing fee and/or per-transaction fee, in the amount and in the manner established by TMC or its designee from time to time. The current amounts of the processing fees and per-transaction fees are set forth in the Franchise Disclosure Document delivered to Purchaser in connection with entering into the Franchise Agreement. TMC reserves the right to change the fee amounts upon 30 days' prior written notice. TMC reserves the right to deduct any processing fees and per-transaction fees from the credit card sales invoice amounts purchased by TMC hereunder. TMC also reserves the right to replace the TMC Network with a substitute network and charge fees for Purchaser's access to and use of such substitute network. Any such substitute network will be considered TMC Network for purposes of this Agreement.

5. Purchaser's Representations, Warranties and Covenants. With respect to each credit card invoice purchased by TMC or its designee hereunder, Purchaser represents and warrants that Purchaser has no knowledge that (a) the signature on the credit card sales invoice is unauthorized, (b) the credit card used by the cardholder is not genuine, (c) the credit card sales invoice was altered subsequent to its signature, (d) any portions of the credit card sales invoice completed by Purchaser, its employees or agents were completed fraudulently or incorrectly, (e) the credit card used by the cardholder was unauthorized or canceled, (f) the credit card used by the cardholder or the credit card user was not authorized, or (g) the credit card was used by the cardholder at a business other than the Premises. Purchaser agrees to keep secure and protect from disclosure all card transaction data in accordance with then-current data security and privacy legal requirements, data security and privacy requirements of TMC and the terms of this Agreement.

6. Purchaser's Obligations to Repurchase Credit Card Invoices. Purchaser shall repurchase from TMC or its designee 100% of the total dollar amount shown on the face of any credit card sales invoice that has been purchased from Purchaser by TMC or its designee where Purchaser (a) completes a transaction on any credit card whose account number is listed as unauthorized for use by the electronic credit card authorization system required by TMC to be used at the Circle K Business or in any written notice sent to Purchaser, (b) completes a transaction subsequent to the expiration date noted on the face of the cardholder's credit card, (c) completes the transaction when

the signature (if required by the card issuer and whether captured physically or electronically) on the credit card sales invoice appears to be dissimilar to the signature appearing on the credit card (which signature may, but need not be, the name embossed on the credit card), (d) fails to deliver to the cardholder a true and complete copy of the credit card sales invoice at the time of the transaction, (e) fails to legibly show on any credit card sales invoice, the name of the cardholder (if required by the card issuer and whether captured physically or electronically), the transaction date, the description of the goods or services sold, the total amount of the charge sale, including all state and federal taxes, the signature of the cardholder, and the credit authorization system approval number, (f) is in default or otherwise violates any term or condition of this Agreement, (g) is advised or aware that the cardholder disputes liability for the purchase evidenced by the credit card sales invoice, (h) has been informed that the goods or services covered by the credit card sales invoice are claimed to be defective or returned, (i) completes a transaction on a credit card that was not authorized by the credit authorization system, (j) does not provide TMC with a copy of the credit card sales invoice (whether captured physically or electronically) within three days after the date of the credit card transaction, (k) fails to obtain the authorizations required by TMC to approve the transaction with the cardholder, including the failure to obtain a verbal telephonic authorization when prompted by the electronic credit card authorization system, (l) fails to comply with any Card Guide, and (m) any other instance where payment is refused or reversed by the card issuer for any reason.

For each transaction subject to Purchaser's repurchase hereunder, TMC may either charge the applicable amount owed to Purchaser's account or require Purchaser to make immediate refund to TMC, in the manner specified by TMC, without any deduction for any transaction and/or processing fees. Any credit card transactions that are charged back to Purchaser pursuant to this Section will be the sole responsibility of Purchaser.

7. Termination of Credit Card Program. TMC shall have the right to terminate the Credit Card Program, and all related agreements, by giving Purchaser 48 hours' prior written notice, and TMC may, at any time and with or without cause, terminate the Circle K® credit card privileges of Purchaser without terminating this Agreement or any other agreement between TMC and Purchaser. In the event of termination of this Agreement or Purchaser's right to participate in the Credit Card Program, TMC or its designee will continue to purchase credit card sales invoices from Purchaser for a period of 10 days following termination; provided the credit card sales invoices submitted by Purchaser are for transactions at the Premises that occurred prior to the date of termination and otherwise comply with the terms of this Agreement. For avoidance of doubt, Purchaser's repurchase obligations set forth herein will also continue beyond the date of termination. Termination of this Agreement or the Credit Card Program will not affect the rights or obligations of either party under this Agreement that may have arisen or accrued prior to the date of termination.

8. Indemnification. Purchaser shall indemnify, defend and hold TMC and its affiliates harmless from and against any and all losses, liabilities, damages, costs, expenses and claims arising out of or related to (i) the use of the TMC Network or the Equipment, or (ii) Purchaser's failure to comply with the terms of this Agreement, including without limitation, any Credit Card Program.

9. Termination.

(a) This Agreement shall terminate immediately if any of the following occurs:

(i) the termination, expiration or nonrenewal of the Franchise Agreement;
(ii) Purchaser defaults in the performance of its obligations under this Agreement (including, without limitation any Credit Card Program or Card Guide) and fails to cure such default within ten (10) days following written notice from TMC of such default;
(iii) TMC gives Purchaser 48 hours' prior written notice of the termination of this Agreement or the Credit Card Program; or
(iv) TMC discontinues operation of the TMC Network and does not designate a substitute network.

(b) Upon the termination of this Agreement, TMC may remove, or caused to be removed, any TMC or third-party Equipment provided to Purchaser hereunder. In such event, Purchaser grants to TMC and its agents or contractors unimpeded access to the Premises to remove any such Equipment.

(c) Upon termination, Purchaser shall immediately pay, as fair and reasonable liquidated damages ("Liquidated Damages"), an amount equal to the lesser of (i) 52 or (ii) the remaining number of Accounting Periods under the term of this Agreement, multiplied by $3,000. Purchaser and TMC acknowledge and agree that the termination of this Agreement will result in TMC incurring damages based on lost revenues from fees and other amounts payable by Purchaser hereunder, and that it will be difficult to calculate with certainty the amount of damages TMC will incur. The provisions of this Section 9(c) do not apply if the Agreement expires at the end of its initial term or is terminated due to (i) Purchaser's (or if Purchaser is an entity, the principal equity holder's) death; (ii) Purchaser's (or if Purchaser is an entity, the principal equity holder's) incapacity for at least 90 consecutive days, in either case which event results in Purchaser's (or if Purchaser is an entity, the principal equity holder's) inability to personally operate its Circle K Business; (iii) condemnation or other taking, in whole or in part, of the Premises due to eminent domain; (iv) destruction of all or a substantial part of the Circle K Business or the Premises through no fault of Purchaser; or (v) a determination made by TMC in good faith and in the normal course of business to withdraw from marketing in the geographical area in which the Circle K Business is located. Notwithstanding the foregoing, if a court determines that the payment under this Section 9(c) is unenforceable, then TMC may pursue all other available remedies, including consequential damages to the extent proved.

10. Data Security and Privacy Requirements. Throughout the term of this Agreement, Purchaser shall comply with the payment card industry ("PCI") data security standards, as established from time to time by the Payment Card Industry Security Standards Council or another industry-recognized regulatory agency or organization, all legal requirements regarding data security and privacy and any data security and privacy requirements imposed from time to time by TMC or its affiliates. Without limiting the foregoing, Purchaser agrees to meet PCI requirements for storing, accessing and transmitting cardholder data, and agrees to fully participate at TMC's request in any PCI data security standard compliance audits conducted by or on behalf of TMC or its affiliate. Additionally, Purchaser agrees to not install or connect any non-TMC approved computer systems or services, including but not limited to wireless systems and internet access, onto TMC Network, without the prior written approval of TMC.

Purchaser is solely responsible and liable for cardholder data in Purchaser's possession and/or control, whether in paper or electronic form. Purchaser must notify TMC immediately of any known or suspected information security compromise, specifically, but not limited to, one that may impact cardholder data. Purchaser shall fully cooperate with and provide access to a PCI representative, or PCI-approved third party, for purposes of conducting a security review after a data security intrusion or breach has been detected. Purchaser will pay, and will indemnify, defend and hold harmless TMC and its affiliates from and against any and all fines, penalties, expenses, liabilities, losses, claims, damages and costs (including costs of data breach notification) associated with any data security breach caused by or arising out of Purchaser's failure to secure cardholder data or to maintain full compliance with PCI standards and the terms of this Agreement.

11. Records. Purchaser will maintain, and TMC or its designee will have the right to examine, all records, reports and other forms that TMC may request relating to Purchaser's participation in any Credit Card Program. Without limiting the foregoing, Purchaser shall maintain a record of each sales transaction (including the actual draft generated by the sale) for a period of no less than six (6) months from the date of the transaction.

12. Miscellaneous.

(a) Assignment. Purchaser shall not assign its interest in this Agreement, directly or indirectly, without the prior written consent of TMC, which consent shall not be unreasonably withheld. Any assignment or transfer of Purchaser's interest in this Agreement without such prior written consent shall be null and void and of no effect.

(b) Amendment/Modification. This Agreement (together with the EPOS Agreement) cancels and supersedes all prior written and unwritten agreements, attachments, schedules, appendices, amendments, promises, and understandings between the parties pertaining to the matters covered under this Agreement and is a final, complete and exclusive statement of the agreement between the parties hereto. THERE ARE NO ORAL UNDERSTANDINGS, REPRESENTATIONS OR WARRANTIES AFFECTING IT. No amendment, deletion, modification, or alteration to this Agreement shall have any effect unless and until made in writing and signed by an authorized representative of TMC.

(c) No Third-Party Beneficiary. Nothing contained in this Agreement shall be deemed,

interpreted, or construed to create, or express any intent to create, third party beneficiary rights in favor of any person or entity, except for any indemnified party (or other person entitled to be indemnified pursuant to this Agreement), and TMC and Purchaser specifically state and agree that no such intent exists.

(d) Waiver of Liability. TMC shall not be responsible for or liable to Purchaser for any loss or damages due to down-time of the TMC Network, the Equipment or any terminals or associated equipment because of repair or maintenance or due to failure of any connection of the terminals or equipment associated with the TMC Network.

(e) Notices. All written notices required or permitted to be given by this Agreement shall be deemed to be duly given if delivered personally or sent by certified, or overnight mail via a reputable national carrier, to the other party at the address set forth above or to such other address as may be furnished by either party to the other in writing in accordance with the provisions of this paragraph. The date of mailing shall be deemed the date of giving such notice, except for notice of change of address, which must be received to be effective.

(f) Attorneys' Fees. It is hereby agreed to and understood by the parties to this Agreement that TMC shall be entitled to recover from Purchaser all reasonable attorneys' fees and other legal costs incurred by TMC to secure or protect its rights under this Agreement or to enforce the terms thereof, whether at law or in equity.

TMC:	**PURCHASER**:
TMC FRANCHISE CORPORATION	_____
By: _____	By: _____
Title: _____	Title: _____
Effective Date: _____	Date: _____

EXHIBIT G

Motor Fuel Supply Agreement

MOTOR FUEL SUPPLY AGREEMENT

This Motor Fuel Supply Agreement (the "Agreement") is made and entered into between TMC Franchise Corporation, which has a business address of 1130 West Warner Road, Tempe, Arizona 85284 ("Seller"), and _____, which has a business address of _____, ("Purchaser").

WITNESSETH:

In consideration of the mutual promises herein contained, Seller, or its affiliate on behalf of Seller, will sell and deliver to Purchaser at the premises located at _____ (the "Premises"), and Purchaser will purchase, receive and pay for, branded motor fuel product(s) under the CIRCLE K® trademarks, service marks, trade names, brand names, trade dress, logos, color patterns, color schemes, design schemes, insignia, image standards or other brand identifications (the "Proprietary Marks"), and other products, of the kind and in the quantities and under the terms and conditions specifically set forth in Commodity Schedule(s) attached hereto and made a part hereof.

1. Term; Renewal. The term ("Term") of this Agreement will begin on the Effective Date (as defined on signature page hereto) and will terminate upon the expiration or earlier termination of the Convenience Store and Motor Fuel Franchise Agreement entered into between Seller and Purchaser governing the Premises (the "Franchise Agreement"), unless terminated earlier pursuant to the terms hereof. The Term will renew if and only if the Franchise Agreement is renewed, in accordance with the renewal terms and conditions set forth in the Franchise Agreement.

2. Products. Purchaser agrees that Seller will be the exclusive supplier of all of Purchaser's motor fuel requirements at the Premises at all times during the Term. The following Commodity Schedule(s) forming a part of this Agreement were affixed at or before the signing hereof.

COMMODITY SCHEDULE(S)	DATE
Gasoline	Effective Date
Diesel	Effective Date

By mutual agreement, this Agreement may be amended from time to time by adding other or additional schedules, substituting revised schedules or by deleting one or more items or provisions from any Commodity Schedule(s) listed above. Additional and revised schedules will be so marked and initialed by an authorized representative of Seller and by Purchaser and shall be affixed to and become a part of this Agreement from and after the date appearing on such additional or revised schedule(s). Deletions shall be by notice given as provided herein and effective when received.

3. Incentive Amounts. The terms of this Section 3 shall apply only if the following blanks are initialed by both Seller and Purchaser:

_____ _____
Seller's Initials Purchaser's Initials

By their initials in the space provided above, Seller and Purchaser agree as follows:

(a) Provided that (i) Purchaser is in compliance with the terms and conditions of this Agreement and the Franchise Agreement and (ii) Purchaser has satisfied the conditions set forth in the Incentive Amounts Schedule, attached hereto and made a part hereof, Seller agrees to pay unto Purchaser the competitive allowance specified in the schedule, for each gallon of product purchased from Seller under this Agreement (said competitive allowance referred to herein as the "Competitive Allowance").

(b) Seller may, at any time, in its sole discretion and upon thirty (30) days' prior written notice, modify the Competitive Allowance amount payable hereunder or terminate the obligation to make any further Competitive Allowance payment to Purchaser without any liability to Purchaser. If the Franchise Agreement or this Agreement is terminated or not renewed, Seller's obligation to pay, and Purchaser's entitlement to receive, the Competitive Allowance shall immediately terminate or expire, without notice, concurrently therewith.

(c) Purchaser shall not be obligated to reimburse to Seller the Competitive Allowance, or any portion thereof, received from Seller.

4. Quantity. Seller will sell to Purchaser and Purchaser will purchase from Seller all of Purchaser's requirements for the product(s) covered by this Agreement in no less than the quantities shown on the applicable Commodity Schedule(s). However, during any period of this Agreement for which the amount of any such product(s) that Seller is required to deliver to Purchaser is prescribed by government rules, regulations or orders, or becomes subject to an allocation by Seller's supplier of such products, the quantity of such product(s) covered by this Agreement shall be the quantity so prescribed or allocated instead of the quantity shown on the applicable Commodity Schedule(s). For purposes of the Commodity Schedule(s), the "agreement quantity" for any period shall be the quantity of product(s) which Seller is obligated to sell and Purchaser is obligated to buy under this Agreement during that period whether prescribed by the attached Commodity Schedule(s) or by government rules, regulations or orders. If Supplier reduces its allocation of products to Seller, then the quantity of products that Seller is obligated to deliver and sell to Purchaser under the applicable Commodity Schedule(s) shall be reduced in the same proportion as Supplier's reduction of its allocation to Seller for the same product and grade. Any purchase or sale in excess of the volumes described above shall not be considered to modify this Agreement as regards quantities to be delivered.

5. Price/Method of Payment/Security.

(a) The price of the product(s) covered by this Agreement shall be as stated in the applicable Commodity Schedule(s). The price of the product(s) covered by this Agreement will also include Seller's then-current costs for transporting the product(s) to you. Purchaser shall pay via electronic funds transfer ("EFT") (or at Seller's option, cash, certified or cashier's check, money order, Automated Direct Debit System, or other means approved by Seller), in full, for all products delivered to Purchaser by Seller under the terms of this Agreement within three (3) days of the delivery of such products.

(b) Where Seller requires payment via EFT, Purchaser will establish a commercial account with a financial institution that provides EFT services and will authorize Seller to initiate transfers of funds between Purchaser's account and Seller's accounts for payment of all amounts due to Seller under this Agreement. Purchaser shall not use, or permit to be used, said commercial account for personal, family, or household purposes. Purchaser will provide Seller with all information and authorization necessary to debit and credit Purchaser's account. Purchaser shall execute concurrently herewith Seller's standard EFT authorization agreement to permit Seller to debit and credit Purchaser's account. Purchaser shall maintain at all times funds in its account sufficient to make payments to Seller at the time of the EFT transaction. Should any EFT transaction be rejected by Purchaser's financial institution for Purchaser's failure to maintain sufficient funds in Purchaser's account, in addition to any other rights Seller may have under this Agreement or the law, Seller may collect a service charge for each occurrence of such rejection, whether or not payment is subsequently paid by Purchaser. In such event, Seller may also require, that subsequent payments be made by means of cash, certified or cashier's check, money order, or other means satisfactory to Seller upon or prior to delivery of product covered hereunder. Additionally, if insufficient funds are available in Purchaser's account at the time payment is due we may charge you our then-current insufficient funds fee for each insufficient funds payment. Additionally, if Purchaser fails to timely pay Seller any amounts due under this Agreement by the due date, the payment will be considered late and Seller may charge Purchaser interest on the amount past due at the lesser of 1½ % per Accounting Period (as defined in the Franchise Agreement) or the maximum legal rate allowed under applicable law, but no more than 18% per annum simple interest. A payment will be considered late if (i) Purchaser fails to pay Seller the total amount owed when due or (ii) if insufficient funds are available in Purchaser's account to fully pay the amount owed. Purchaser shall indemnify, defend and hold Seller harmless for any losses, costs, or damages arising out of any breach or violation of this subparagraph (b).

(c) If at any time the financial responsibility of Purchaser shall become impaired or unsatisfactory to Seller, or should Purchaser be in arrears in his accounts with Seller, Seller may require, as a condition of making further

product deliveries under this Agreement, payment by Purchaser of all past due accounts and cash payment prior to, or upon, all such future deliveries.

(d) In order to secure payment of all Purchaser's present and future indebtedness owed by Purchaser to Seller at any time during the Term, including renewal periods, or upon its termination or expiration, Seller reserves the right to require from Purchaser from time to time a security deposit, letter of credit, personal guaranty and/or other forms of security acceptable to Seller to secure Purchaser's obligations under this Agreement or any other contract or agreement between Seller and Purchaser. The amount of any security deposit ("Security Deposit Amount"), letter of credit, personal guaranty and/or other form of security shall be memorialized in the Data Sheet, Exhibit 1 of the Franchise Agreement. TMC will hold any Security Deposit Amount in a non-interest-bearing account ("Security Deposit Account"). Any Security Deposit Amount collected by Seller hereunder is not an advance payment, or on account, of any amounts due and owing under this Agreement or any part or installment thereof, or a measure of Seller's liquidated or unliquidated damages. Purchaser agrees that, if Purchaser fails to timely pay any amount due and owing under this Agreement, Seller may, without obligation to do so and without limiting any of Seller's other rights hereunder, under the law or in equity, draw upon the Security Deposit Account and apply the funds contained therein toward the payment of any amount that remains due and owing. If Seller draws upon the Security Deposit Account to apply such funds to the payment of any amount due and owing, Purchaser shall immediately deposit with Seller an amount sufficient to restore the amount contained in the Security Deposit Account to the amount noted in the Data Sheet. Upon the termination, nonrenewal, or expiration of this Agreement, Seller will: (a) have the right, but not the obligation, to draw upon the Security Deposit Account to make good any past due amounts, loss, damage, injury, or liability caused by Purchaser's failure to perform any condition, covenant, or term of, or make any payment under, the Agreement; and (b) return the balance of the Security Deposit Amount relating to the terminated or expired Motor Fuel Agreement to Purchaser within a reasonable period after such termination, nonrenewal, or expiration. Purchaser understands and agrees that it is reasonable for Seller to continue to retain the balance of the Security Deposit Amount for a period of up to two months after said termination, nonrenewal, or expiration.

6. Control. Purchaser is an independent business with the exclusive right to direct and control the business operation at the Premises, including the establishment of the prices at which products and merchandise are sold. Seller reserves no control over the business at the Premises. Purchaser has no authority to employ anyone as an employee or agent of Seller for any purpose. No employee of Purchaser will be deemed to be an employee of Seller for any purpose whatsoever, and nothing in any aspect of this Agreement or with respect to the Proprietary Marks in any way shifts any employee or employment related responsibility from Seller to Purchaser. Purchaser alone is responsible for hiring, firing, training, setting hours for and supervising all employees.

7. Liability; Indemnification. Seller shall not be liable to Purchaser or to any other person for any damage to or loss of property, or for injury to or death of persons, or for the violation by Purchaser or any other person, of any governmental statute, law, regulation, rule, or ordinance, arising from the operation or activities of Purchaser or any other person pursuant to this Agreement. Purchaser shall indemnify, protect, defend, and save Seller harmless from and against any and all losses, claims, liabilities, environmental cleanup costs, fines, penalties, suits and actions, judgments and costs, including attorneys' fees and the costs of litigation, which shall arise from, or grow out of, any injury to or death of persons, or damage to or loss of property, or violation by Purchaser or any other person of any governmental statute, law, regulation, rule, or ordinance, directly or indirectly resulting from, or in any way connected with (i) Purchaser's performance of this Agreement, (ii) operation of Purchaser, or activities of any other person, at the Premises, or (iii) the condition of the Premises or of the adjoining streets, sidewalks or ways, irrespective of whether such injury, death, damage or loss is sustained by Purchaser or any other person, firm or corporation which may seek to hold Seller liable. The existence or non-existence of any insurance required under this Agreement will not limit Purchaser's indemnity or other obligations under this Agreement. This indemnity shall survive the termination or nonrenewal of this Agreement.

8. Credit. Nothing herein shall be construed as obligating Seller to extend any credit to Purchaser.

9. Delivery/Title/Risk of Loss. Delivery, passage of title and risk of loss of the product(s) covered by this Agreement shall be as set forth in the attached Commodity Schedule(s).

10. Taxes. It is agreed that any duty, tax, fee or other charge which Seller may be required to collect or pay under any municipal, state, federal or other laws now in effect or hereafter enacted with respect to the production,

manufacture, inspection, transportation, storage, sale, delivery or use of the product(s) covered by this Agreement shall be added to the prices to be paid by Purchaser for product(s) purchased hereunder.

11. Delays or Failure to Perform.

(a) Any delays in or failure of performance of either party hereto shall not constitute default hereunder or give rise to any claims for damages of and to the extent that such delay or failure is caused by occurrences including, but not limited to, acts of God or the public enemy; expropriation or confiscation of facilities; compliance with any order or request of any governmental authority; acts of war, rebellion, terror, or sabotage or damage resulting there from; embargoes or other import or export restrictions; fires, floods, explosions, accidents, or breakdowns; riots; strikes or other concerted acts of workers, whether direct or indirect; or any other causes whether or not of the same class or kind as those specifically above named which are not within the control of the party affected and which, by the exercise of reasonable diligence, said party is unable to prevent or provide against. A party whose performance is affected by any of the causes set forth in the preceding sentence shall give prompt written notice thereof to the other party.

(b) Seller shall be under no obligation to make deliveries hereunder at any time when in Seller's sole judgment it has reason to believe that the making of such delivery would be likely to cause strikes to be called against it or cause its properties to be picketed.

(c) Seller shall not be required to make up deliveries omitted on account of any of the causes set forth in subparagraph (a) above.

(d) Nothing in this paragraph shall excuse Purchaser from making payment when due for deliveries made under the Agreement.

12. Excess Quantities. If Seller should actually deliver to Purchaser, and Purchaser should actually accept and receive, during the Term hereof, including any renewal periods, quantities of product(s) in excess of the maximum quantities provided in the Commodity Schedule, Purchaser shall pay for said product(s) at the prices and in the method herein provided. However, nothing in this paragraph shall be deemed to authorize the purchase of quantities otherwise unauthorized under monthly or annual quantity limitations.

13. Determination of Quantity and Quality. The quantity and quality of product(s) sold hereunder shall be for all purposes conclusively deemed to be the quantity and quality set forth in Seller's document of delivery unless, within twenty-four (24) hours of the time of delivery, Purchaser delivers to Seller written notice of any claimed shortage in quantity or claimed deviation in quality, or where discovery of any such shortage or deviation could not reasonably have been discovered by careful inspection at the time of delivery, within three (3) days after discovery. Purchaser's written notice, or the absence thereof, shall be conclusive with respect to the fact of and the time and date of notice under this paragraph. Time is of the essence in complying with this provision.

14. No Changes to Products; Inspections. Purchaser shall not mix, commingle, blend, adulterate, or otherwise change the composition of any of the product(s) purchased hereunder and resold by Purchaser under said Proprietary Marks with other products or substances in any manner. Seller is hereby given the right to enter the Premises and to examine at any time, and from time to time, the contents of Purchaser's tanks or containers in which said product(s) purchased hereunder are stored and to take samples there from and, if in the opinion of Seller, any samples taken are not said product(s) and in the condition in which delivered by Seller to Purchaser then Seller may at its option cancel and terminate this Agreement. Without limiting the foregoing, in connection with Seller's inspection rights, as set forth under the Franchise Agreement, Seller shall have the right to enter the Premises unimpeded to review and audit all station records including, but not limited to, all records of deliveries, sales and inventory reconciliation, to take samples of motor fuels stored at the Premises, and to inspect equipment. Any evaluation or inspection Seller conducts is not intended to exercise, and does not constitute, control over Purchaser's day-to-day operation of Purchaser's business or to assume any responsibility for Purchaser's obligations under this Agreement.

15. Quality, Specification or Name of Product. Seller shall have the right at any time during the life of this Agreement to change, alter, amend or eliminate any of the motor fuel product(s) covered by this Agreement. Seller may also either (a) change or alter the quality, grade, or specifications of any product(s) covered by this Agreement

or (b) discontinue the availability of any such product(s). Any such change or discontinuation shall not affect the minimum purchase requirements set forth in the Commodity Schedule(s) attached hereto. Seller shall give Purchaser written notice of discontinuance of the manufacture of any product(s) covered by this Agreement. The Agreement shall terminate as to such discontinued product(s) when such notice is effective.

16. Assignment. This Agreement is personal to Purchaser. Purchaser's interest in this Agreement shall not be transferred or assigned by Purchaser in whole or in part, directly or indirectly, without the prior written consent of Seller and only upon satisfaction of the transfer conditions set forth in the Franchise Agreement. The transfer provisions of the Franchise Agreement apply to any Transfer (as such term is defined in the Franchise Agreement) by Purchaser hereunder. This Agreement, or any of Purchaser's rights or obligations hereunder, may only be transferred contemporaneously with the transfer of the franchise rights for the Premises and only to the approved transferee of such franchise rights.

17. Waiver. No waiver by Seller of any breach of any of the covenants or conditions herein contained to be performed by the Purchaser shall be construed as a waiver of any succeeding breach of the same or any other covenant or condition.

18. Environmental Compliance.

(a) Purchaser shall become informed about and comply with all local, state and federal laws, statutes, regulations and ordinances related to environmental protection or compliance relevant to Purchaser's operations at the Premises, whether currently in effect or which may come into effect in the future.

(b) Purchaser shall comply with all applicable local, state and federal underground storage tank ("UST") compliance requirements, whether currently in effect or which may come into effect in the future, including, but not limited to: (i) required inspections of any release detection equipment for USTs and product lines; (ii) required inspections of any automatic tank gauging equipment; and (iii) maintenance and required inspections of any vapor recovery equipment. Purchaser shall maintain written records of all maintenance and inspections of UST equipment. Repair workorders and records on USTs must be kept for the life of the tank.

(c) Purchaser shall make accurate daily physical measurement of all products stored in USTs and perform accurate daily and monthly reconciliation of such measurements with metered sales and product deliveries in accordance with all applicable state, local and federal requirements. Purchaser shall develop and maintain accurate written records of the daily physical product measurements and daily and monthly reconciliation. Purchaser will maintain such records at the Premises for at least twelve (12) months, or longer if required by law. Purchaser shall immediately notify Seller and any appropriate local, state or federal governmental agency after discovery of any inventory loss or other condition which may be the result of a leaking UST or other equipment failure. Purchaser shall immediately investigate and undertake all appropriate initial abatement and other emergency measures to contain, treat, mitigate and/or remediate a discharge, spill, or release of motor fuels or other motor fuel products at the Premises.

(d) Purchaser shall become informed about and comply with all applicable local, state and federal requirements related to the generation, handling, transportation, treatment, storage and/or disposal of solid or hazardous wastes. Purchaser also shall implement appropriate recycling, waste management and waste minimization practices and procedures as necessary to remain in compliance with all applicable local, state and federal environmental protection and compliance requirements.

(e) Purchaser agrees that Seller's representatives shall be permitted to enter upon the Premises from time to time to perform physical measurements and reconciliation of product stored in USTs and to inspect and/or test any equipment and records used for complying with any local, state, or federal environmental protection or environmental compliance requirements, including, but not limited to, Purchaser's reconciliation and inspection records. However, Seller is not obligated to make any such inspections or tests.

(f) Purchaser shall, if requested by Seller, cooperate in all current and future environmental protection programs established by Seller and/or Seller's supplier.

(g) Purchaser shall properly maintain all USTs, hoses, connections, and associated equipment at the Premises. Seller may, without liability to Purchaser, refuse to make delivery of products covered under this Agreement if Seller believes any UST, hose, connection, or associated equipment is not safely maintained or in compliance with applicable safety standards.

(h) Purchaser shall indemnify, defend, protect and hold Seller, its employees, officers, directors, shareholders, agents and affiliates harmless from and against any and all liabilities, losses, obligations, claims, damages (consequential or otherwise), penalties, suits, actions, judgments, costs and expenses (including attorneys' fees) of whatever nature for personal injury (including death) of persons (including, without limitation, agents and employees of Seller or Purchaser) or property damage (including, without limitation, damage to the property of Seller or Purchaser), which may be imposed on, incurred by or asserted against Seller directly or indirectly, (i) caused in whole or in part by Purchaser's failure to comply with the terms of this paragraph or with any local, state or federal law, statute, regulation or ordinance, whether currently in effect or which may come into effect, related to environmental protection or environmental compliance or (ii) for any releases or discharges of motor fuel or motor fuel products into the environment caused, in whole or in part, by the acts or omissions of Purchaser, its employees, agents, contractors, customers, licensees, or invitees. This indemnity in no way limits and is intended to be within the scope of the general indemnity set forth in paragraph 6 hereof. The terms and provisions of this paragraph shall survive the expiration or termination of this Agreement.

19. Price Regulation.

(a) If at any time Seller determines that due to governmental regulations, it is unable to increase the price of any of the product(s) deliverable under this Agreement by an amount which is sufficient in Seller's judgment to reflect increases in either (i) the cost of such product(s) to Seller or Seller's supplier or (ii) the fair market value of such product(s), which have occurred since the date of this Agreement or the date of the last increase in the price of such product(s) whichever is later, Seller may cancel this Agreement upon thirty (30) days' written notice to Purchaser, or may suspend this Agreement while such limitation is in effect.

(b) Notwithstanding any other provision of this Agreement, if any state or local law, rule, regulation, or order (i) regulating the price at which a product(s) to be delivered hereunder may be sold, or (ii) limiting the discretion of Seller to determine to whom they will sell such product(s) becomes effective during the Term of this Agreement in any state in which such product(s) is to be delivered hereunder, Seller shall have the right to terminate this Agreement immediately.

20. Notices. All written notices required or permitted to be given by this Agreement shall be deemed to be duly given if delivered personally or sent via certified or via a reputable, national overnight mail, such as Federal Express, to Seller or to Purchaser, as the case may be, at the address set forth above or to such other address as may be furnished by either party to the other in writing in accordance with the provisions of this paragraph. The date of mailing shall be deemed the date of giving such notice, except for notice of change of address, which must be received to be effective.

21. Equipment/Trade Fixtures. Purchaser shall provide all necessary buildings, improvements, equipment, tools, and like appliances required in order to perform its obligations hereunder.

22. Termination.

(a) This Agreement shall terminate upon expiration of the Term of this Agreement or upon an earlier termination of the Franchise Agreement, or as otherwise provided in this Section. In addition, the termination provisions of the Franchise Agreement are hereby incorporated into this Agreement and shall apply to Seller’s performance under and compliance with the terms of this Agreement.

(b) Without limiting the foregoing, this Agreement may be terminated by Seller upon written notice if Purchaser fails to cure the default within 30 days (or any other time period noted in this Agreement) of receiving a notice of default for the following reasons: (i) if Purchaser fails to pay in a timely manner any sums when due hereunder within 5 days of receiving notice of default; (ii) if Purchaser defaults in any of its obligations under this Agreement; (iii) under other circumstances described as causes for termination by Seller elsewhere in this Agreement;

(iv) if Purchaser fails to purchase at least 75% of the minimum volume requirements contained in the attached Commodity Schedule(s); or (v) if Purchaser fails to maintain an inventory of any one or more grades of motor fuel covered by this Agreement in an amount adequate to meet customer demand.

(c) For avoidance of doubt, upon the expiration of the Term hereof or upon earlier termination hereof, Purchaser shall comply with all post-termination/post-expiration obligations set forth in the Franchise Agreement, and Seller shall have the right to purchase the Business Assets (as defined in the Franchise Agreement) pursuant to the terms of the Franchise Agreement. In addition, Purchaser understands and agrees that Seller is relying upon Purchaser to purchase the minimum volume of motor fuel product set forth in paragraph 3 above and the applicable Commodity Schedule(s) attached hereto, and that any breach or repudiation of this Agreement, or other failure to purchase those minimum volumes of motor fuel product by Purchaser will result in serious losses to Seller. Purchaser and Seller acknowledge that the amount of such losses is, and will be, difficult to determine. Therefore, Purchaser agrees that in the event of a termination of this Agreement Purchaser shall pay unto Seller, as liquidated damages, and not as a penalty, the greater of: (i) three and one-half cents ($0.035) per gallon multiplied by the minimum Accounting Period volume in gasoline and diesel gallons set forth in paragraph 3 above and the applicable Commodity Schedule(s) attached hereto multiplied by the lesser of: a) 52 Accounting Periods or b) the number of Accounting Periods remaining under the Term of this Agreement, or (ii) three and one-half cents ($0.035) per gallon multiplied by the average Accounting Period volume in gasoline and diesel gallons actually purchased by Purchaser (calculated for the period starting on the date of commencement of the Term and continuing until the date of termination or repudiation, as the case may be) multiplied by the lesser of: a) 52 Accounting Periods or b) the number of Accounting Periods remaining under the Term of this Agreement. The provisions of this Section 21 do not apply if the Agreement expires at the end of its initial Term or is terminated due to (i) Purchaser's (or if Purchaser is an entity, Purchaser's principal equity holder's) death; (ii) Purchaser's (or if Purchaser is an entity, Purchaser principal equity holder's) incapacity for at least 90 consecutive days, in either case which event results in Purchaser's (or if Purchaser is an entity, Purchaser's principal equity holder's) inability to personally operate the business hereunder; (iii) condemnation or other taking, in whole or in part, of the Franchised Location due to eminent domain; (iv) destruction of all or a substantial part of the Franchised Location through no fault of Purchaser; or (v) a determination made by Seller in good faith and in the normal course of business to withdraw from marketing in the geographical area in which the Circle K Business is located. Notwithstanding the foregoing, if a court determines that the payment under this Section 21 is unenforceable, then Seller may pursue all other available remedies, including consequential damages to the extent proved.

(d) If, upon expiration of the Term of the Agreement or any renewal thereof, and for a period of one (1) year thereafter, Purchaser receives, or has received, from a ready, willing and able seller ("Proposed Supplier"), a *bona fide* offer (the "Offer") to sell or supply motor fuels to Purchaser for resale at the Premises, and Purchaser at that time is ready and willing to accept said Offer, Purchaser shall give Seller written notice ("Notice"), setting forth the name and address of the Proposed Supplier, and the terms of said Offer. Such Notice shall be accompanied by Purchaser's verified affidavit that the proposed Offer is a good faith offer. Seller's rights described herein shall apply to any *bona fide* Offer to sell motor fuel products received by Purchaser, irrespective of whether such offer is written or oral and irrespective of the duration or terms of such offer.

(i) Seller shall have the prior, exclusive option to match any such Offer. Seller shall exercise its option by notifying the Purchaser, in writing, of its decision to do so within thirty (30) days of Seller's receipt of the Notice (the "Election Period"), in which event Purchaser shall then execute a motor fuel supply agreement with Seller that shall contain the terms of the Offer, subject to the terms contained in this Section 22(d). If Seller does not exercise its option within the Election Period, Seller shall be deemed to have elected not to exercise said option. If Purchaser does not thereafter accept the Offer from the Proposed Supplier within 60 days of the expiration of the Election Period, Seller's rights under this Section 22(d) shall continue in full force and apply with respect to any new offer from the Proposed Supplier or from another party offering to sell or supply motor fuel products to Purchaser. Seller's failure at any time to exercise its rights under this Section 22(d) shall not affect Seller's future rights under this Section 22(d).

(ii) Seller may match the Offer by agreeing to deliver and sell to Purchaser motor fuels under a brand other than the brand contained in the Offer, on terms and conditions regarding price, quantity and equipment or other prospective investment in the Premises substantially equivalent to those presented in the Offer. Seller may meet the Offer for the delivery and sale of unbranded motor fuels by offering unbranded or branded motor fuels on terms and conditions substantially equivalent to those presented in the Offer. If the Offer, whether for branded or

unbranded motor fuels, contains any special price terms or guarantees regarding price, Seller must agree to match these price terms; provided, however, that Seller shall not be required to match any price terms that Seller, in good faith, considers unlawful under applicable law and such failure to match price terms shall not constitute a failure to match the Offer. Seller shall have the right to assign its rights under this Section 22(d) to a third party.

23. Accord. The parties to this Agreement have discussed the provisions herein and find them fair and mutually satisfactory and further agree that in all respects the provisions are reasonable and of material significance to the relationship of the parties hereunder, and that any breach of a provision by either party hereto or a failure to carry out said provisions in good faith shall conclusively be deemed to be substantial.

24. Nature of Agreement/ No Third-Party Beneficiary.

(a) In consideration of the granting and execution of this Agreement, it is understood and agreed that there shall be no contractual obligation to extend or renew the period or terms of this Agreement in any way, and the parties agree that this Agreement shall not be considered or deemed to be any form of "joint venture" or "partnership" at the Premises of Purchaser or elsewhere. This Agreement shall bind the executors, administrators, personal representatives, permitted assigns, and successors of the respective parties.

(b) This Agreement is personal to the Purchaser and is intended for the sole use and benefit of Seller and Purchaser. Nothing contained herein shall be deemed, interpreted, or construed to create, or express any intent to create, third party beneficiary rights in favor of any person or entity, except for any indemnified party (or other person entitled to be indemnified pursuant to this Agreement), and Seller and Purchaser specifically state and agree that no such intent exists.

25. Compliance with Laws.

(a) Purchaser shall comply with all laws, statutes, regulations, ordinances, and rules of all applicable governmental authorities with respect to the operation of its business at the Premises, including without limitation all applicable laws and regulations regarding weights and measures. As between Purchaser and Seller, Purchaser is solely responsible for the safety and well-being of its employees and the customers of the business operated at the Premises.

(b) Both parties expressly agree that it is the intention of neither party to violate statutory or common law and that if any section, sentence, paragraph, clause or combination of same is in violation of any law, such sentences, paragraphs, clauses or combination of same shall be inoperative and the remainder of this Agreement shall remain binding upon the parties hereto.

26. Express Warranties. Seller warrants that, at the time of delivery, (i) the product(s) supplied hereunder will conform to the promises and affirmations of fact made in Seller's current technical literature and printed advertisements, if any, related specifically to such product(s); (ii) it will convey good title to the product(s) supplied hereunder, free of all liens, and (iii) the product(s) supplied hereunder meet such specifications as have been expressly made a part of this Agreement. THE FOREGOING WARRANTIES ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, ORAL OR IMPLIED. THE WARRANTY OF MERCHANTABILITY, IN OTHER RESPECTS THAN EXPRESSLY SET FORTH HEREIN, AND WARRANTY OF FITNESS FOR PARTICULAR PURPOSE, IN OTHER RESPECTS THAN EXPRESSLY SET FORTH HEREIN, ARE EXPRESSLY EXCLUDED AND DISCLAIMED.

27. Non-Exclusive Territory. Nothing in this Agreement grants Purchaser an exclusive territory to market or resell any motor fuel or motor fuel products purchased from Seller hereunder. Seller reserves the right to market or sell, and authorize others to market or sell, motor fuel or motor fuel products in any manner Seller chooses, including through its own retail outlets or through designated wholesalers or other retailers.

28. Confidential Information. The confidentiality obligations of the Franchise Agreement apply to any nonpublic information received by or made available to Purchaser hereunder.

29. Entire Agreement; Modifications. This Agreement and all exhibits hereto constitute the entire agreement between the parties and cancel and supersede all prior written and unwritten agreements, attachments, schedules, appendices, amendments, promises, and understandings between the parties pertaining to the matters covered under this Agreement, except any indebtedness owed to Seller by Purchaser, and is a final, complete and exclusive statement of the agreement between Seller and Purchaser. Nothing in this or in any related agreement, however, is intended to disclaim the representations made in the Franchise Disclosure Document that Seller provided to Purchaser. No amendment, deletion, modification, or alteration to this Agreement shall have any effect unless and until made in writing and signed by an authorized representative of Seller and by Purchaser.

30. Damages. NO CLAIM SHALL BE MADE UNDER THIS AGREEMENT FOR SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, EXCEPT AS PROVIDED OTHERWISE BY LAW.

31. Commencement. This Agreement or any modification thereof shall not be binding upon Seller until signed on its behalf by an authorized representative of Seller. Commencement of performance hereunder prior to signing as above stipulated in no case shall be construed as a waiver by Seller of this requirement.

32. Survivorship. To the extent, but only to the extent, that any provision of applicable state law requires Seller to permit the succession of the rights and obligations hereunder to a designated family member of Purchaser upon Purchaser's death, such provision is incorporated herein by reference. In the absence of such provision, the terms of the Franchise Agreement shall govern in such circumstances.

33. Joint and Several Obligations. All acknowledgments, representations, warranties, debts, and obligations of performance of Purchaser under this Agreement are made, and binding on, all those signing this Agreement jointly and severally as the Purchaser.

34. Seller's Equitable Remedies/Attorneys' Fees.

(a) Purchaser agrees that money damages may not be a sufficient remedy for the breach of this Agreement and that, therefore, in addition to all remedies available at law, Seller shall be entitled to specific performance, injunctive relief, declaratory judgment and/or other equitable remedies, as appropriate. Purchaser shall waive any requirement for the posting of bond in conjunction with Seller's effort to seek equitable remedies.

(b) It is hereby agreed to and understood by the parties to this Agreement that Seller shall be entitled to recover from Purchaser all reasonable attorneys' fees and other legal costs incurred by Seller to secure or protect its rights under this Agreement or to enforce the terms thereof, whether at law or in equity. Seller shall also be entitled to reimbursement by Purchaser for all attorney's fees and litigation expenses incurred to enforce any termination of this Agreement.

(c) Seller's termination of this Agreement shall not prejudice Seller's right to seek monetary damages or equitable relief against Purchaser. All powers and remedies available at law and in equity, including the right to terminate this Agreement, shall be cumulative and not exclusive of any other powers and remedies available by virtue of this Agreement, and no delay or omission of Seller in exercising any right or power accruing upon any breach of, or default under any provision of this Agreement shall impair any other or subsequent breach or impair any rights or remedies consequent thereto.

35. Dispute Resolution; Venue. The dispute resolution and venue procedures set forth in the Franchise Agreement (including Article 18 of the Franchise Agreement) apply to any dispute between Seller and Purchaser relating to this Agreement or the parties' relationship hereunder and are hereby incorporated by reference herein.

36. Choice of Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §1051 et seq.), and the Federal Arbitration Act (9 U.S.C. § 1, et seq.) this Agreement and the relationship between Purchaser and Seller will be governed by the laws of the State of Arizona. Purchaser and Seller understand, acknowledge, and agree that the Petroleum Marketing Practices Act, 15 U.S.C. Section 2801 et seq., does not apply to this Agreement or the relationship of the parties hereto.

37. Personal Guaranty. Each owner or general partner of Purchaser, if Purchaser is a corporation, limited liability company, partnership or other legal entity, must sign a Personal Guaranty in the form attached to the Franchise Agreement.

Executed this _____day of _____, 2_____ (the "Effective Date").

SELLER: TMC Franchise Corporation	PURCHASER: _____
By: _____	By: _____
_____	_____
Title: _____	Title: _____
_____	_____

MOTOR FUEL SUPPLY AGREEMENT - COMMODITY SCHEDULE

PURCHASER: _____ NO: [Assigned Site No.]
DELIVERY POINT: The Premises PRODUCT: [Gasoline or Diesel]
DATE: _____ GRADE: 1

This Commodity Schedule is attached to, and made a part of, the Motor Fuel Agreement (the "Agreement") between Purchaser and Seller entered into concurrently herewith. Unless otherwise indicated, the capitalized terms used in this Commodity Schedule shall have the same meaning used in the Agreement.

1. Quantity. Except as otherwise provided in the Agreement, the quantity of product covered by this Commodity Schedule shall be all Purchaser's requirements from the Effective Date of the Agreement to the expiration of the Agreement in monthly and annual minimum and maximum quantities hereinafter specified.

Monthly Quantity	(Gallons)		Monthly Quantity	(Gallons)	
	Minimum	Maximum		Minimum	Maximum
Jan.	_____	_____	July	_____	_____
Feb.	_____	_____	Aug.	_____	_____
Mar.	_____	_____	Sept.	_____	_____
Apr.	_____	_____	Oct.	_____	_____
May	_____	_____	Nov.	_____	_____
June	_____	_____	Dec.	_____	_____

Annual Quantity: (Minimum): _____ and (Maximum): _____

2. Delivery; Title; Risk of Loss. Where delivery is made to Purchaser's business location, delivery shall be complete on unloading of the tank wagon or transport truck. Where delivery is made into equipment furnished by Purchaser, delivery shall be complete at the point of loading of such equipment. Title to product and risk of loss of product shall pass to Purchaser upon delivery of product.

3. Inspection. Purchaser shall have the right, at its expense, to have an inspection made at delivery point, provided such inspection shall not delay shipment. Should Purchaser fail to make inspection, it shall accept Seller's inspection and measurement.

4. Price. The price per gallon to be paid by Purchaser shall be _____. The price per gallon is based upon the delivery of a full transport truckload of product. Delivery of a quantity of product less than a full transport truckload shall be subject to an additional charge. All prices charged by Seller are subject to the provisions of applicable law. Any complete or partial loads turned away from Purchaser's location because they would not fit in available storage may incur additional pass-through costs. Additionally, if Purchaser requests a delivery of product at a time earlier than the established delivery schedule, Seller may charge Purchaser any additional pass-through costs.

ACCEPTED:

SELLER: TMC Franchise Corporation

By: _____
Title: _____

ACCEPTED:

PURCHASER: _____

By: _____
Title: _____

INCENTIVE AMOUNTS SCHEDULE

This Incentive Amounts Schedule is attached to the Motor Fuel Supply Agreement ("Agreement") and made a part thereof. Unless otherwise indicated, the capitalized terms used in this Incentive Amounts Schedule shall have the same meaning used in the Agreement.

Gasoline Competitive Allowance: Provided that the volume of gasoline product purchased under the Agreement for the applicable Allowance Period exceeds _____ (_____) gallons, Seller agrees to pay to Purchaser a Competitive Allowance in the following amounts, payable within thirty (30) days of the last day of the applicable Allowance Period:

- _____ CPG ($0.___ cents per gallon) for each gallon of gasoline product purchased under the Agreement during any given Allowance Period where total volume purchased in the Allowance Period is at least _____ gallons and up to _____ gallons; or
- _____ CPG ($0.___ cents per gallon) for each gallon of gasoline product purchased under the Agreement during any given Allowance Period where total volume purchased in the Allowance Period exceeds _____ gallons.

Diesel Competitive Allowance: Provided that the volume of diesel product purchased under the Agreement for the applicable Allowance Period exceeds _____ (____) gallons, Seller agrees to pay to Purchaser a Competitive Allowance in the following amounts, payable within thirty (30) days of the last day of the applicable Allowance Period:

- _____ CPG ($0.___ cents per gallon) for each gallon of diesel product purchased under the Agreement during any given Allowance Period where total volume purchased in the Allowance Period is at least _____ gallons and up to _____ gallons; or
- _____ CPG ($0.___ cents per gallon) for each gallon of diesel product purchased under the Agreement during any given Allowance Period where total volume purchased in the Allowance Period exceeds _____ gallons.

For the purpose of both the Gasoline Competitive Allowance and Diesel Competitive Allowance, the term "Allowance Period" shall mean any calendar month during the Term, the first of which shall commence on the first full month after the Effective Date.

EXHIBIT H

Sample Termination and Release Agreement

Exhibit H

TERMINATION AND RELEASE AGREEMENT

THIS TERMINATION AND RELEASE AGREEMENT ("Agreement") is made and entered into by and between TMC Franchise Corporation ("Franchisor"), and _____ ("Franchisee"). All capitalized terms not defined in this Agreement have the respective meanings set forth in the Franchise Agreement (as defined below). This Agreement is effective on the date Franchisor signs below (the "Effective Date").

RECITALS

A. Franchisor and Franchisee entered into (i) a Convenience Store and Motor Fuel Franchise Agreement dated _____ (including all exhibits, attachments, and amendments thereto, the "Franchise Agreement"), whereby Franchisee was granted the right to operate a Circle K convenience store and motor fuel business and if applicable, car wash business (the "Circle K Business") at _____ (the "Authorized Location") and (ii) a Motor Fuel Supply Agreement (including all exhibits, attachments, and amendments thereto, the "Motor Fuel Agreement") dated concurrently with the Franchise Agreement, pursuant to which Franchisee agreed to purchase Circle K-branded motor fuel from Franchisor or its Affiliate, for resale at the Authorized Location.

B-C. [INSERT OTHER BACKGROUND INFORMATION.]

D. Franchisor and Franchisee have agreed to terminate the Franchise Agreement and the Motor Fuel Agreement and all rights, obligations and responsibilities thereunder, subject to the terms and conditions of this Agreement.

AGREEMENTS

In consideration of the promises expressed herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Termination of Franchise Agreement and Motor Fuel Agreement. As of _____ (the "Termination Date"), the Franchise Agreement and the Motor Fuel Agreement is each deemed terminated and of no further force and effect. As of the Termination Date, Franchisee has no further rights under or through the Franchise Agreement or the Motor Fuel Agreement; provided, however, Franchisee acknowledges and agrees that it will comply with the post-termination obligations set forth in Section 3 below and as more fully stated in the Franchise Agreement and the Motor Fuel Agreement.

2. Termination of Other Agreements. Franchisor and Franchisee acknowledge and agree that any and all other agreements that Franchisee may have with Franchisor or its affiliates relating to the operation of the Circle K Business (including, specifically, the Software Use Agreement between Franchisor and Franchisee) (collectively, the "Other Agreements") are deemed terminated as of the Termination Date and of no further force and effect. Notwithstanding the foregoing, Franchisee acknowledges that it must comply with any and all obligations in the Other Agreements which, by their nature, survive termination or expiration of the Other Agreements. To the extent that any Other Agreements require the consent of a third party prior to termination, Franchisor will obtain such consent and the third party's consent will be deemed to be granted as of the Termination Date, regardless of when the consent is actually provided.

3. Return of Business Systems Manuals; Other Post-Termination Obligations. Beginning on the Termination Date, Franchisee shall immediately:

(a) Cease any and all use of the Circle K trademarks and business system;

(b) Return to Franchisor the Circle K Business Systems Manuals and any other manuals, advertising materials, and any other proprietary information that Franchisor has provided to Franchisee for the operation of the Circle K Business;

(c) Cease any and all use of, and return to Franchisor, the "Software," as defined in the Electronic Point of Sale and Software Agreement, and shall otherwise comply with Franchisee's post-term obligations as set forth in said agreement;

(d) Refrain from holding itself out as a present or former Circle K franchisee; and,

(e) Otherwise comply with Franchisee's post-term obligations as set forth in Section 14.7 of the Franchise Agreement and in the Motor Fuel Agreement.

4. Release.

A. Franchisee and its successors and assigns, affiliates, directors, officers, and shareholders and on behalf of any other party claiming an interest through them (collectively and individually referred to as the "Franchisee Parties" for purposes of this Section 4), release and forever discharge Franchisor, its predecessors, successors, assigns, affiliates, directors, officers, shareholders, and employees (collectively and individually referred to as the "Franchisor Parties" for purposes of this Section 4), of and from any and all claims, debts, liabilities, demands, obligations, costs, expenses, actions and causes of action, whether known or unknown, vested or contingent, which Franchisee Parties may now or in the future own or hold, that in any way relate to the Franchise Agreement, the Motor Fuel Agreement, the Other Agreements, or any other agreement between Franchisor and Franchisee, the Authorized Location, or the relationship between Franchisor and Franchisee through the Effective Date (collectively, the "Franchisee Parties Claims"), for known or unknown damages or other losses, including but not limited to any alleged violations of any deceptive or unfair trade practices laws, franchise laws, environmental laws, the Petroleum Marketing Practices Act, 15 U.S.C. Section 2801 et seq., or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Franchise Agreement, the Motor Fuel Agreement, the Other Agreements or any other agreement between Franchisor and Franchisee through the Effective Date.

B. The release of Franchisee Parties Claims as set forth in Section 4.A is intended by the Franchisee Parties to be a full and unconditional general release, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of one of the Franchisee Parties against any other Franchisor Party regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. In making this voluntary express waiver, the Franchisee Parties acknowledge that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Franchisee Parties' intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. The Franchisee Parties acknowledge that they have had adequate opportunity to gather all information necessary to enter into this Agreement and to grant the releases contained herein, and need no further information or knowledge of any kind that would otherwise influence the decision to enter into this Agreement. This release is and shall be and remain a full, complete and unconditional general release. The

Franchisee Parties further acknowledge and agree that no violation of this Agreement shall void the release set forth in Section 4.

5. Indemnification. Franchisee agrees to indemnify, defend and hold Franchisor Parties harmless from and against any liability, damage, injury, or loss (including attorneys' fees and all costs) that Franchisor Parties may incur, arising out of or relating to (a) the Franchise Agreement, the Motor Fuel Agreement, or the Other Agreements, (b) the operation of the Circle K Business at the Authorized Location at any time prior to and through the Effective Date, or (c) Franchisee's breach of this Agreement.

6. Amounts Owed to Third Parties. Franchisee represents and warrants that all third-party suppliers and vendors of Franchisee's Circle K Business have been paid in full as of the Effective Date of this Agreement.

7. Confidentiality. Each of the parties hereto covenants and agrees to keep confidential any and all terms and provisions of this Agreement, other than as they may be required under law to disclose.

8. Acknowledgment. Franchisee acknowledges and agrees that the representations and agreements set forth in Section 4 are a material inducement to Franchisor to enter into this Agreement, such that Franchisor would not have entered into this Agreement in the absence of such agreements.

9. Binding Effect. This Agreement shall be binding upon, inure to the benefit of and be enforceable by Franchisee and Franchisor and their respective successors and assigns.

10. Governing Law; Entire Agreement; Amendments; Severability. This Agreement shall be governed by the laws of Arizona, excluding any choice of law provisions. This Agreement is the entire agreement of the parties relative to this subject and will not be waived, altered or rescinded in whole or in part, except by an express writing by the parties. The provisions of this Agreement are severable and the invalidity or unenforceability of any of them will not affect the remainder of this Agreement.

11. Representation by Counsel. Franchisee and Franchisor have had the opportunity to consult with legal counsel of their respective choice with respect to this Agreement, including the full and final release of claims set forth herein.

12. Remedies and Attorneys' Fee. All rights and remedies of Franchisor and of Franchisee under this Agreement shall be cumulative and none shall exclude any other right or remedy allowed at law or in equity. Nothing herein shall bar Franchisor's right to obtain injunctive relief against threatened conduct that will cause a loss or damage, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions. The nonprevailing party or parties shall pay the prevailing party's fees in any proceeding to enforce the terms and conditions of this Agreement.

13. Counterparts and Facsimile Copies. This Agreement may be signed in separate counterparts, and by facsimile copies, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement effective as of the Effective Date.

FRANCHISOR: TMC FRANCHISE CORPORATION	FRANCHISEE:
By: _____	By: _____
Its: _____	Its: _____
Date: _____	Effective Date: _____

EXHIBIT I

CIRCLE K® Personal Guaranty

All agreements between _____ ("Debtor"), and/or Debtor's Affiliates, and TMC Franchise Corporation (including its Affiliates, "Franchisor") are collectively referred to in this Personal Guaranty as "Agreement" or "Agreements." "Affiliates" shall mean, with respect to a party hereto, any person or entity that directly or indirectly owns or controls the referenced party, that is directly or indirectly owned or controlled by the referenced party, or that is under common control with the referenced party, where the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities, by contract or otherwise.

In consideration of the execution of the Agreements by Franchisor, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor, absolutely and unconditionally, for the prompt payment of all amounts and performance of all covenants, terms and conditions in the Agreements, to be paid, kept and performed by Debtor and/or its Affiliates (collectively, "Franchisee"), including without limitation the arbitration and other dispute resolution provisions of the Agreements.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Agreements and agree that this Personal Guaranty will be construed as though the undersigned and each of them executed the Agreements containing the identical terms and conditions of the Agreements.

The undersigned each waives: (1) notice of demand and presentment for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; and (3) any right he/she may have to require that an action be brought against the Franchisee, or any other person as a condition of liability.

In addition, the undersigned consents and agrees that: (i) the undersigned's liability will not be contingent or conditioned upon Franchisor's pursuit of any remedies against Franchisee, or any other person; and (ii) such liability will not be diminished, relieved or otherwise affected by Franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreements, or any amendment or extension to the Agreements with or without notice to the undersigned.

The undersigned irrevocably waives, disclaims and relinquishes any and all claims against Debtor which the undersigned otherwise has or would have by virtue of having executed this Guaranty, specifically including, but not limited to, all rights of indemnity, contribution or exoneration. The undersigned expressly subordinates any and all claim(s) against Debtor upon any account whatsoever to any claim(s) that Franchisor may have against Debtor at any time and for any reason.

The undersigned agrees to pay any and all attorneys' fees, costs of suit and expenses incurred by Franchisor in connection with this Guaranty or in the collection of any of indebtedness from Debtor

or the undersigned. THE UNDERSIGNED WAIVES THE RIGHT TO A JURY TRIAL IN ANY LAWSUIT RELATED TO THIS GUARANTY.

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this Guaranty will inure to the benefit of Franchisor's successors and assigns.

The undersigned authorizes Franchisor to obtain a credit report on the undersigned.

Any married person who signs this Guaranty hereby expressly agrees that recourse may be made against both his or her separate property and community property interest for all obligations under this Guaranty.

FRANCHISEE: _____

DATE: _____

PERSONAL GUARANTORS:

_____	_____
Individually	Individually
_____	_____
Print Name	Print Name
_____	_____
Address	Address
_____	_____
City State Zip Code	City State Zip Code
_____	_____
Telephone	Telephone
_____	_____
Individually	Individually
_____	_____
Print Name	Print Name
_____	_____
Address	Address
_____	_____
City State Zip Code	City State Zip Code
_____	_____
Telephone	Telephone

EXHIBIT J

Renewal Addendum

RENEWAL ADDENDUM TO FRANCHISE AGREEMENT

This Renewal Addendum to Franchise Agreement (the "**Renewal Addendum**") is entered into as of the _____ day of _____, 20____ (the "**Effective Date**") by and between TMC FRANCHISE CORPORATION ("**Franchisor**"), and _____ _____, a(n) _____ ("**Franchisee**").

A. Franchisor and Franchisee have entered into a franchise agreement (the "**Original Franchise Agreement**") pursuant to which Franchisor has granted Franchisee a right and obligation to establish and operate a CIRCLE K retail convenience store and motor fuel business, using the Marks and the Business System, at this location: _____ _____ (the "**Business**").

B. Simultaneously herewith, the parties are entering into a renewal Franchise Agreement (the "**Franchise Agreement**") for the continued operation of the Business upon expiration of the term of the Original Franchise Agreement.

C. The parties wish to confirm the term of the Franchise Agreement and to modify the Franchise Agreement with respect to the payment of the initial franchise fee and other matters, as more particularly set forth below.

NOW, THEREFORE, the parties hereby agree and acknowledge as follows:

1. Term. The term of the Franchise Agreement will expire on _____, and Section 3.1 of the Franchise Agreement is hereby amended accordingly.

2. No Further Renewal. Sections 3.2 (Conditions to Renew), 3.3 (Renewal Obligations) and 3.4 (Early Renewal) of the Franchise Agreement are hereby deleted in their entirety and the following is inserted in lieu thereof: "Intentionally Omitted". Franchisee acknowledges that it has no further renewal rights.

3. Fees. Section 5.1 (Initial Franchise Fee) of the Franchise Agreement is amended to provide that no initial franchise fee shall be due upon execution of the Franchise Agreement. Sections 5.5 (Back-Office System Training Fee) and Section 5.6 (Site Development Fee) of the Franchise Agreement are hereby deleted in their entirety and the following is inserted in lieu thereof: "Intentionally Omitted".

4. Other Amendments. Section 6.2 (Grand Opening) of the Franchise Agreement is hereby deleted in its entirety and the following is inserted in lieu thereof: "Intentionally Omitted".

5. Entire Agreement. This Renewal Addendum shall be attached to and incorporated in the Franchise Agreement. Except as expressly provided in this Renewal Addendum, the Franchise Agreement and the respective rights and obligations of Franchisee and Franchisor thereunder shall remain unchanged and be enforceable according to the terms of the Franchise Agreement. Notwithstanding anything to the contrary in the Franchise Agreement, in the event of

a conflict between the provisions of the Franchise Agreement and the provisions of this Renewal Addendum, the provisions of this Renewal Addendum shall control.

6. Release. Franchisee, for itself and each of its past and present heirs, executors, administrators, representatives, affiliates, directors, officers, owners, successors and assigns and on behalf of any other party claiming an interest through Franchisee, in their corporate and individual capacities (collectively "**Releasor**"), hereby releases and forever discharges Franchisor and each of its predecessors, successors, affiliates, subsidiaries, assigns, officers, directors, shareholders, agents and employees, and their respective heirs, executors, administrators, representatives, successors and assigns, in their corporate and individual capacities (collectively "**Releasees**"), from, in respect of and in relation to any and all claims, actions, causes of action, suits, debts, obligations, liabilities, sums of money, costs and expenses, acts, omissions or refusals to act, damages, judgments and demands, of any kind whatsoever, joint or several, known or unknown, vested or contingent, which the Releasor ever had, now has or which Releasor hereinafter can, will or may have, against Releasees related to, arising from, for, upon or by reason of any matter, cause or thing whatsoever related to the Original Franchise Agreement and the Business, the business operated thereunder or any other agreement between Releasor and Releasees, or the relationship between Releasor and Releasees, through the Effective Date (collectively, the "**Claims**"), for known or unknown damages or other losses, including but not limited to any alleged violations of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations, and any alleged violations of the Original Franchise Agreement or any other related agreement between Releasor and Releasees or the relationship between Releasor and Releasees through and including the Effective Date. For avoidance of doubt, the Releasor does not release Releasees from any obligations arising by virtue of the Franchise Agreement and any claims arising from the Releasees' failure to comply with those obligations or the Franchise Disclosure Document furnished to Franchisee as part of entering into the Franchise Agreement and the franchise laws that apply to the specific offer, sale and signing of the Franchise Agreement.

The release of the Claims as set forth above is intended by the Releasor to be full and unconditional general releases, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the Releasees regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. In making this voluntary express waiver, the Releasor acknowledges that claims or facts in addition to or different from those which are now known to exist with respect to the matters mentioned herein may later be discovered and that it is the Releasor's intention to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. The Releasor acknowledges that Releasor has had adequate opportunity to gather all information necessary to enter into this Renewal Addendum and to grant the releases contained herein, and needs no further information or knowledge of any kind that would otherwise influence the decision to enter into this Renewal Addendum. The Releasor, for itself and its heirs, successors and assigns, hereby expressly, voluntarily, and knowingly waives, relinquishes and abandons each and every right, protection, and benefit to which they would be entitled, now or at any time hereafter under Section 1542 of the Civil Code of the State of California, as well as under any other statutes or common law principles of similar effect to said Section 1542, whether now or hereafter existing under the laws of California or any

other applicable federal or state law with jurisdiction over the parties' relationship. The Releasor acknowledges that Section 1542 of the Civil Code of the State of California provides as follows:

> "A general release does not extend to claims which the creditor or releasing party 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 or released party."

This release is and shall be and remain a full, complete and unconditional general release. The Releasor acknowledges and agrees that this release is an essential, integral and material term of this Renewal Addendum. The Releasor further acknowledges and agrees that no violation of this Renewal Addendum shall void the release set forth herein.

IN WITNESS WHEREOF, the parties have executed this Renewal Addendum on the date first above written.

Franchisor:

TMC FRANCHISE CORPORATION

By: _____
Print Name: _____
Its: _____

Franchisee:

_____

By: _____
Print Name: _____
Its: _____

EXHIBIT K

State Addenda

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF CALIFORNIA

The following information applies to franchises and franchisees subject to the California Franchise Investment Act. Item numbers correspond to those in the main body:

1. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT. SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO YOU A DISCLOSURE DOCUMENT APPROVED BY THE DEPARTMENT OF BUSINESS OVERSIGHT BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.

2. Item 3.

Item 3 is amended to provide that neither TMC nor any other person identified 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 persons from membership in such association or exchange.

3. Items 6 and 17.

The Franchise Agreement may contain a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

4. Item 17.

California Business & Professions Code Sections 20000 through 20043 provide rights to you concerning termination or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

5. Item 17.

Termination of the Franchise Agreement by TMC because of Franchisee's insolvency or bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.).

6. Item 17.

The Franchise Agreement requires you to sign a general release if you transfer your franchise. This provision may be unenforceable under California law. California Corporations

Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

7. Item 17.

The Franchise Agreement requires binding arbitration to be conducted at Maricopa County, Arizona. You are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

8. Item 19.

The financial performance representation figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Circle K Business. Franchisees or former franchisees, listed in the franchise disclosure document, may be one source of this information.

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF ILLINOIS

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

Section 41 of the Illinois Franchise Disclosure Act provides that 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.

Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

ADDENDUM TO
FRANCHISE AGREEMENT FOR THE
STATE OF ILLINOIS

This Addendum will pertain to franchises sold in the state of Illinois and will be for the purpose of complying with Illinois statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement will be amended to include the following:

1. Section 20.5 is hereby deleted in its entirety and the following is substituted in its place:

20.5 Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. § 1051 et seq.), and the Federal Arbitration Act (9 U.S.C. § 1, et seq.), or matters arising under the Illinois Franchise Disclosure Act which shall be governed thereby, this Agreement and the relationship between the Franchisor and Franchisee will be governed by the laws of the state of Arizona.

2. Section 20.11 shall not be construed to mean that Franchisee may not rely on representations in the Franchise Disclosure Document that Franchisor provided to Franchisee in connection with the offer and purchase of the license granted under this Agreement. Although the statements in the Franchise Disclosure Document do not become part of the Franchise Agreement, nothing in the Franchise Disclosure Document may contradict or be inconsistent with the contract terms.

3. Section 18.6 is hereby deleted in its entirety and the following is substituted in its place:

> Subject to Sections 18.1 and 18.2, any cause of action, claim, suit or demand allegedly arising from or related to the terms of this Agreement or the relationship of the parties must be brought in Illinois federal or state court.

4. The following Section 21.8 is added to this Agreement:

21.8 Certain Waivers Void. This Agreement is subject to 805 ILCS § 705/41 which states that "[a]ny condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void."

5. The Acknowledgment Addendum attached to the Franchise Agreement is unenforceable under Illinois law because it may have the effect of forcing a franchisee to waive or release certain rights that you as a franchisee have under the Illinois Franchise Disclosure Act, 815 IL § 705.

6. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

Franchisee: _____	Franchisor: TMC Franchise Corporation
By: _____ Name: Title: Date:	By: _____ Name: Title: Date:

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF INDIANA

Nothing in this disclosure document or the franchise agreement is intended to be contrary to the provisions of the "Deceptive Franchise Practices" law of Indiana, which is contained in Indiana Code, Title 23, Article 2, Chapter 2.7, Sections 1 through 7 as amended ("Indiana Franchise Practices Law"). In the event of any conflict between any provision of the franchise agreement and the Indiana Franchise Practices Law the Indiana law will control, but in that case, the provision of the franchise agreement affected will be limited only to the extent necessary to bring it within the requirement of the law and, to that extent, that provision shall be deemed to have been omitted from the franchise agreement as of the date of execution of the franchise agreement. This will not affect the validity of any remaining portion of the franchise agreement.

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA

The following information applies to franchises and franchisees subject to Minnesota statutes and regulations:

1. Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

2. With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non- renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

3. The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

4. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).

5. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

6. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

7. The limitations of claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

ADDENDUM TO
FRANCHISE AGREEMENT FOR THE
STATE OF MINNESOTA

This Addendum shall pertain to franchises sold in the state of Minnesota and shall be for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement shall be amended as follows:

1. The following provision is added at the end of Section 3.2 (F) (regarding Conditions to Renew) and Section 15.2 (Transfer by Franchisee) of the Agreement:

"Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release."

2. The following sentence is added at the end of Section 3.2 (Conditions to Renew), Section 15.2 (Transfer by Franchisee) and Article 14 of the Agreement:

"With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld."

3. The following is added at the end of Article 18 (Dispute Resolution) of the Agreement:

"Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

This section must comply with Minnesota Statutes, Section 80C.17, Subd. 5."

4. The following is added at the end of Article 4 (Marks…) of the Agreement:

"The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g)."

5. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

Franchisee: _____	Franchisor: TMC Franchise Corporation
By: _____ Name: Title: Date:	By: _____ Name: Title: Date:

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NORTH DAKOTA

The following information applies to franchises and franchisees subject to North Dakota statutes and regulations. Item numbers correspond to those in the main body.

1. The North Dakota Securities Commissioner has held that requiring franchisees to consent to waiver of a trial by jury unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

2. Item 6.

The North Dakota Securities Commissioner has determined that to require franchisees to consent to liquidated damages or termination penalties is unfair, unjust, or inequitable within the intent of the North Dakota Franchise Investment Law. As a result, the liquidated damages provision in Item 6 of the franchise disclosure document is deleted in its entirety.

3. Item 17.

Notwithstanding anything to the contrary in the Franchise Disclosure Document, and except as otherwise mutually agreed by the parties: (1) any mediation proceeding will be conducted in the city nearest to the Franchised Location; (2) any arbitration proceeding will be conducted in the city nearest to the Franchised Location in which the American Arbitration Association shall maintain an office and facility for arbitration; and (3) any claim under the North Dakota Franchise Investment law not otherwise subject to mediation or arbitration under the terms of the Franchise Agreement may be brought in a court of competent jurisdiction in the state of North Dakota.

4. Item 17.

Notwithstanding anything to the contrary in the Franchise Disclosure Document, and except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. § 1051 et seq.) and the Federal Arbitration Act (9 U.S.C. § 1, et seq.), the Franchise Agreement will be governed by the laws of the state of North Dakota.

5. Item 17.

Notwithstanding anything to the contrary in the Franchise Disclosure Document, covenants not to compete may be subject to Section 9-08-06 of the North Dakota Century Code and unenforceable in the state of North Dakota if contrary to Section 9-08-06.

ADDENDUM TO
FRANCHISE AGREEMENT FOR THE
STATE OF NORTH DAKOTA

This Addendum will apply to franchises sold in the state of North Dakota and will be for the purpose of complying with North Dakota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement will be amended to include the following:

1. Article 12 is hereby modified to delete any part thereof that is inconsistent with Section 51-19-09 of the North Dakota Century Code.

2. Notwithstanding anything to the contrary in Article 18 of the Franchise Agreement, and except as otherwise mutually agreed by the parties: (1) any mediation proceeding will be conducted in the city nearest to the Franchised Location; (2) any arbitration proceeding will be conducted in the city nearest to the Franchised Location in which the American Arbitration Association shall maintain an office and facility for arbitration; and (3) any claim under the North Dakota Franchise Investment law not otherwise subject to mediation or arbitration under the terms of the Franchise Agreement may be brought in a court of competent jurisdiction located within the state of North Dakota.

3. The following Article 21.8 is added to this Agreement:

21.8 Releases. Any release executed in connection with this Agreement will not apply to claims that may arise under the North Dakota Franchise Investment Law.

4. Article 20.5 is hereby deleted in its entirety and the following is substituted in its place:

20.5 Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. § 1051 et seq.), and the Federal Arbitration Act (9 U.S.C. § 1, et seq.), this Agreement will be governed by the laws of the state of North Dakota.

5. Personal Guaranty. The Personal Guaranty is hereby amended, as a waiver of all rights to a trial by jury is considered unenforceable in the state of North Dakota.

6. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

Franchisee: _____

By: _____
Name:
Title:
Date:

Franchisor: TMC Franchise Corporation

By: _____
Name:
Title:
Date:

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF VIRGINIA

The following information applies to franchises and franchisees subject to Virginia statutes and regulations. Item numbers correspond to those in the main body:

1. Item 17. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for TMC Franchise Corporation for use in the Commonwealth of Virginia shall be amended as follows:

> "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 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."

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF WISCONSIN

The following information applies to franchises and franchisees subject to the Wisconsin Fair Dealership law. Item numbers correspond to those in the main body:

1. Item 17.

For all franchises sold in the State of Wisconsin, we will provide you at least 90 days' prior written notice of termination, cancellation, or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation, or substantial change in competitive circumstances and will provide that you have 60 days in which to cure any claimed deficiency. If this deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation, or substantial change in competitive circumstances is nonpayment of sums due under the franchise, you will have 10 days to cure the deficiency.

2. Item 17.

For Wisconsin franchisees, ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of the franchise agreement or a related contract which is inconsistent with the Law.

ADDENDUM TO
FRANCHISE AGREEMENT FOR THE
STATE OF WISCONSIN

This Addendum pertains to franchises sold in the State of Wisconsin and is for the purpose of complying with Wisconsin statutes and regulations. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Agreement is amended as follows:

1. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, Article 12 of the Agreement is extended as follows:

> For all franchises sold in the State of Wisconsin, Franchisor will provide Franchisee at least 90 days' prior written notice of termination, cancellation, or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation, or substantial change in competitive circumstances and will provide that Franchisee have 60 days in which to rectify any claimed deficiency. If the deficiency is rectified within 60 days, the notice will be void. If the reason for termination, cancellation, or substantial change in competitive circumstances is nonpayment of sums due under the franchise, Franchisee will be entitled to written notice of such default, and will have not less than 10 days in which to remedy such default from the date of delivery or posting of such notice.

2. Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of the Franchise Agreement or a related document between Franchisor and Franchisee inconsistent with the Law.

3. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

Franchisee: _____	Franchisor: TMC Franchise Corporation
By: _____ Name: Title: Date:	By: _____ Name: Title: Date:

EXHIBIT L

State Effective Dates

FRANCHISE DISCLOSURE DOCUMENT EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, 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 Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

STATE	EFFECTIVE DATE
CALIFORNIA	July 22, 2022
ILLINOIS	July 22, 2022
INDIANA	PENDING
MICHIGAN	PENDING
MINNESOTA	PENDING
NORTH DAKOTA	PENDING
SOUTH DAKOTA	PENDING
VIRGINIA	PENDING
WISCONSIN	PENDING
WASHINGTON	PENDING

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 M

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 TMC Franchise Corporation offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires that TMC Franchise Corporation give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Iowa and Michigan require that TMC Franchise Corporation 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 TMC Franchise Corporation 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 on Exhibit C.

The franchisor is TMC Franchise Corporation, located at 1130 West Warner Road, Tempe, Arizona 85284. Its telephone number is (602) 728-8000.

Issuance Date: July 22, 2022

The name, principal business address and telephone number of each franchise seller offering the franchise: _____

_____

TMC Franchise Corporation authorizes the respective state agencies identified on Exhibit C to receive service of process for it in the particular state.

I have received a disclosure document dated July 22, 2022, that included the following Exhibits: A) List of Franchised Outlets, B) Consolidated Financial Statements, C) List of State Franchise Administrators and Agents for Service of Process, D) Table of Contents of Business Systems Manuals, E) Franchisee Acknowledgment Addendum, F) Franchise Agreement, G) Motor Fuel Supply Agreement, H) Sample Termination and Release Agreement, I) Personal Guaranty, J) Renewal Addendum, K) State Addenda, L) State Effective Dates, and M) Receipts.

Date: _____ Signed: _____

Print Name: _____

Address: _____

City: _____ State _____

Phone (___) _____ Zip _____

Date: _____ Signed: _____

Print Name: _____

Address: _____

City: _____ State _____

Phone (___) _____ Zip _____

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 TMC Franchise Corporation offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires that TMC Franchise Corporation give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Iowa and Michigan require that TMC Franchise Corporation 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.

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Date:_____ Signed: _____

Print Name: _____

Address: _____

City: _____ State _____

Phone (___) _____ Zip_____

Date:_____ Signed: _____

Print Name: _____

Address: _____

City: _____ State _____

Phone (___) _____ Zip_____