

FRANCHISE DISCLOSURE DOCUMENT



ICD Franchising, LLC

A Missouri limited liability company

8014 N. Broadway

St. Louis, MO 63147-2417

Phone: (314) 858-6100

Email:

sweetfranchise@clementinesicecream.com

www.clementinesicecream.com

Clementine's Ice Cream® operates and offers ice cream parlors that provide a participatory, organoleptic guest experience, specializing in small-batch, premium handcrafted ice cream using the finest ingredients and offering unexpected flavors, blending culinary innovation with nostalgic indulgence in a vibrant atmosphere.

The total investment necessary to begin operation of a Clementine's Ice Cream Parlor is \$641,500 to \$1,046,600, of which \$68,975 to \$95,175 must be paid to the franchisor or an affiliate. Your estimated initial investment will vary based on the number of franchises to be developed.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive 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 the Clementine's Ice Cream franchise group at sweetfranchise@clementinesicecream.com.

The terms of your contract will govern your franchise relationship. Do not 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 such as 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 15, 2026

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution**. The franchise agreement requires the franchisee to resolve disputes with us by mediation and arbitration only in Missouri. Out of state mediation or arbitration may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or arbitrate with us in Missouri than in your home state.
2. **Short Operating History**. The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
3. **Mandatory Minimum Payments**. You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
4. **Supplier Control**. You must purchase all or nearly all of the inventory and supplies necessary to operate your business from Franchisor, its affiliates, or from suppliers that Franchisor designates at prices that 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 franchised business.
5. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement, even if your spouse has no ownership interest in the franchise. This Guarantee will place both your and your spouse's marital and personal assets (perhaps including your house) at risk if your franchise fails.

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.

**NOTICE REQUIRED
BY
STATE OF MICHIGAN**

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

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(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 OF OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE. THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST REFUSAL TO PURCHASE THE FRANCHISE. GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO:

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

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

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

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

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

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

* * * *

IF THE FRANCHISOR'S MOST RECENT FINANCIAL STATEMENTS ARE UNAUDITED AND SHOW A NET WORTH OF LESS THAN \$100,000.00, THE FRANCHISOR MUST, AT THE REQUEST OF THE FRANCHISEE, ARRANGE FOR THE ESCROW OF INITIAL INVESTMENT AND OTHER FUNDS PAID BY THE FRANCHISEE UNTIL THE OBLIGATIONS TO PROVIDE REAL ESTATE, IMPROVEMENTS, EQUIPMENT, INVENTORY, TRAINING, OR OTHER ITEMS INCLUDED IN THE FRANCHISE OFFERING ARE FULFILLED. AT THE OPTION OF THE FRANCHISOR, A SURETY BOND MAY BE PROVIDED IN PLACE OF ESCROW.

* * * *

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

* * * *

THE NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS: MICHIGAN DEPARTMENT OF COMMERCE, CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU, 2407 NORTH GRAND RIVER AVENUE, LANSING, MICHIGAN 48906.

* * * *

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO:

STATE OF MICHIGAN DEPARTMENT OF THE ATTORNEY GENERAL

G. MENNEN WILLIAMS BUILDING

525 W. OTTAWA STREET

LANSING, MICHIGAN 48909

TELEPHONE NUMBER: (517) 335-7622

TABLE OF CONTENTS

<u>Item</u>	<u>Page</u>
1 THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES.....	1
2 BUSINESS EXPERIENCE.....	4
3 LITIGATION	5
4 BANKRUPTCY	5
5 INITIAL FEES	5
6 OTHER FEES	7
7 ESTIMATED INITIAL INVESTMENT	13
8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES.....	17
9 FRANCHISEE’S OBLIGATIONS	21
10 FINANCING	22
11 FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING.....	23
12 TERRITORY.....	33
13 TRADEMARKS.....	36
14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION	38
15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	40
16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	41
17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION OF THE FRANCHISE RELATIONSHIP	42
18 PUBLIC FIGURES	47
19 FINANCIAL PERFORMANCE REPRESENTATIONS.....	47
20 OUTLETS AND FRANCHISEE INFORMATION	50
21 FINANCIAL STATEMENTS.....	52
22 CONTRACTS	53
23 RECEIPTS.....	53

EXHIBITS

- A. STATE AGENCIES AND ADMINISTRATORS AND FRANCHISOR’S AGENTS FOR
SERVICE OF PROCESS
- B. FRANCHISE AGREEMENT
- C. EXPANSION OPTION AGREEMENT
- D. OPERATIONS MANUAL TABLE OF CONTENTS
- E. FINANCIAL STATEMENTS
- F. LIST OF FRANCHISEES
- G. FORM OF RELEASE
- H. STATE SPECIFIC ADDENDA
- I. FRANCHISEE DISCLOSURE QUESTIONNAIRE [Not applicable in CA, HI, IL, IN, MD, MI,
MN, NY, ND, RI, SD, VA, WA and WI]
- J. STATE EFFECTIVE DATES AND RECEIPTS

APPLICABLE STATE LAW MIGHT REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR IN EXHIBIT H.

ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

Franchisor

The franchisor is ICD Franchising, LLC, a Missouri limited liability company. To simplify the language in this Disclosure Document, we will refer to ICD Franchising, LLC as “we” or “us.” This Disclosure Document will refer to the person or entity that buys the franchise from us as “you”, and the term includes your partners if you are a partnership, your members if you are a limited liability company, or your shareholders if you are a corporation. If you are a corporation, partnership or limited liability company, your owners will have to guarantee your obligations and be obligated to comply with the terms of the franchise agreement and ancillary documents described in this Disclosure Document.

We are a Missouri limited liability company organized on January 31, 2025, for the purpose of engaging in the sale of franchises of CLEMENTINE’S ICE CREAM Parlors. Our principal business address is 8014 N. Broadway, St. Louis, MO 63147-2417, and our telephone number is (314) 858-6100. We conduct business under the name CLEMENTINE’S®, CLEMENTINE’S ICE CREAM®, CLEMENTINE’S NAUGHTY & NICE CREAMERY®, CLEMENTINE’S NAUGHTY & NICE ICE CREAM™ and the trademarks described in Item 13 and under no other names. Our agents for service of process are disclosed in Exhibit A. We have been offering franchises described in this Disclosure Document as of the date of this Disclosure Document.

Our Parent, Predecessors and Affiliates

We have no predecessor. We are a wholly owned subsidiary of our corporate parent, ICD Holdings, LLC, a Missouri limited liability company that was organized on July 10, 2019 (“**ICD Holdings**”). ICD Holdings, which has a principal business address that is the same as ours, does not engage in any other business activities, provide products or services to our franchisees, nor offer franchises in any line of business.

While we do not operate a business of the type being franchised, our affiliate, ICD Retail, LLC, d/b/a Clementine’s Ice Cream, a Missouri limited liability company that was organized on July 10, 2019 (“**ICD Retail**”), operates businesses of the type being franchised. ICD Retail, which has a principal business address that is the same as ours, operates 11 CLEMENTINE’S ICE CREAM Parlors as of the date of this Disclosure Document. This entity does not engage in any other business activities, provide products or services to our franchisees, nor offer franchises in any line of business.

Our affiliate, ICD Operations, LLC, a Missouri limited liability company that was organized on July 10, 2019 (“**ICD Operations**”), is the manufacturer and distributor of our proprietary ice cream and related products. As this entity is the sole supplier of ice cream and related products to CLEMENTINE’S ICE CREAM Parlors, as a franchisee you will purchase all of your ice cream as well as other designated products from this affiliate, including cones, toppings, sauces, waffle mix, designated grab-and-go food and beverages, baked goods and desserts, designated paper products, merchandise and branded materials, and other supplies. This entity also sells its products at wholesale to retailers, other venues, grocery stores, and through e-commerce. ICD Operations has the same principal address as us. Except as described above, this entity does not engage in any other business activities, provide products or services to our franchisees, nor offer franchises in any line of business.

Our affiliate, Cone Concept Holdings, LLC (“**Cone Concept**”), a Missouri limited liability company that was organized on March 13, 2026, is the owner of our intellectual property which it licenses to us pursuant to a Trademark License Agreement dated July 1, 2026.

We have no other parents, predecessors or affiliates required to be included in this Item. Except as described above, neither we, our parent, nor our affiliates have offered franchises in any other line of business or otherwise conduct business of the type offered to you in this Disclosure Document.

We or any affiliate may, in the future, own or manage other parlors and/or offer franchises which operate under trade names, logos, and service marks other than CLEMENTINE'S, CLEMENTINE'S ICE CREAM, CLEMENTINE'S NAUGHTY & NICE CREAMERY, or CLEMENTINE'S NAUGHTY & NICE ICE CREAM but may be similar to, and depending on their location, may compete with your parlor.

The Franchise

We offer franchises for the operation of ice cream Parlors under the name CLEMENTINE'S®, CLEMENTINE'S ICE CREAM®, CLEMENTINE'S NAUGHTY & NICE CREAMERY®, or CLEMENTINE'S NAUGHTY & NICE ICE CREAM™. Your Parlor will provide a unique and elevated experience, primarily offering small-batch, premium handcrafted ice cream in exceptional flavors and using premium ingredients, with options including “Nice,” “Non-Dairy” vegan options and “Naughty” (alcohol infused, where regulatory environment allows). “Nice” flavor options range from classic to innovative. Popular choices include three award-winning flavors: Goopy Butter Cake, Salted Cracker Caramel and Italian Butter Cookie. “Non-Dairy” vegan options are made with plant-based sources, and include flavors such as Tahini Chocolate Chip, Coconut Fudge and award-winning Lemon Poppyseed. “Naughty” offerings are alcohol-infused ice creams using a proprietary process to freeze spirits, wine, and local beers. Examples include Maple Bourbon with Salted Candied Pecans, Manhattan and Pink Champagne Sorbet. Flavor choices may rotate over time, including seasonal, small-batch, or other limited-time creations. Parlors may also offer a selection of baked goods and desserts, as well as designated grab-and-go food and beverage items and other merchandise.

Parlors will feature certain hallmarks of our brand, such as custom wallpaper, designated font(s) and color(s) and proprietary trade dress, all designed to create a participatory, organoleptic guest experience. Commonly called sensory marketing, CLEMENTINE'S organoleptic experience stimulates all five senses, driving and motivating consumer behavior while boosting sales and helping turn consumers into adoring loyalists and brand champions. Activating the senses rekindles memories, evoking customer emotions that forge lasting connections with the brand. We refer to CLEMENTINE'S® or CLEMENTINE'S ICE CREAM™, CLEMENTINE'S NAUGHTY & NICE CREAMERY® or CLEMENTINE'S NAUGHTY & NICE ICE CREAM™ parlors as “**Parlors**,” we refer to Parlors operated by us or our affiliates as “**Corporate Parlors**” and we refer to Parlors operated by our franchisees as “**Franchised Parlors**.” As used in this Disclosure Document, “**your Parlor**” means your franchised Parlor that you will operate pursuant to the Franchise Agreement.

Parlor menu items are prepared according to specified recipes and procedures and use high quality ingredients. You will operate your Parlor under the form of Franchise Agreement attached to this Disclosure Document as Exhibit B (the “**Franchise Agreement**”). We offer to enter into Franchise Agreements with qualified legal entities and persons.

When you acquire the right to open and operate your Parlor (and in some cases even if you already own and operate one or more Parlors), you also might have the right to obtain an option to acquire an additional franchised Parlor in a particular defined territory (the “**Expansion Territory**”). If we choose to grant you such an option, we and you will sign an Expansion Option Agreement attached to the Disclosure Document as Exhibit C, and you must pay us an expansion option fee. You will have the right to exercise the expansion option under the Expansion Option Agreement only within one year after you open your Parlor (the “**Option Period**”). If you satisfy all of the then-current expansion policy requirements to open and operate an additional franchised Parlor and the conditions under the Expansion Option Agreement

within the Option Period, then we and you will sign our then-current form of franchise agreement to govern the operation of the additional Parlor for the Expansion Territory, which may differ from the current Franchise Agreement attached to this Disclosure Document. Under the Franchise Agreement, you will operate your Parlor at a designated location, which may be either owned by you or leased from a third party, in compliance with our requirements as they are adopted from time to time. A Parlor typically occupies 1,000 to 1,600 square feet of space and includes seating capacity for on-premises consumption. In limited circumstances, with our approval your Parlor may be located in a food court, event venue, or other non-standard location, in which case it will have a smaller footprint and accommodate fewer on-premises customers. All Parlors are constructed to our specifications as to format, size, layout, decor and the like, unless we agree otherwise.

You will operate a Parlor, at your expense, as an independent business utilizing our business format, procedures, designs, layouts, trade dress, standards, specifications, recipes, methods of operation, customer service standards, purchasing and sourcing procedures, training and assistance, technology standards, and marketing, advertising and promotional programs (the “**System**”). You must use the System at your Parlor, which includes, without limitation, the common use and promotion of the name CLEMENTINE’S, CLEMENTINE’S ICE CREAM and other service marks, trademarks, trade names, logos, emblems, signs, slogans, insignia and other commercial symbols, that we may designate from time to time (collectively, the “**Marks**”); distinctive ice cream and other food products, recipes and quality standards; training; advertising and promotional programs; and ongoing assistance. We may from time to time add or delete products and/or services and change, improve, add to, and further develop the specifications, standards, procedures, methods of operation and other elements of our System, and you will be expected to follow suit. You will offer and provide products and services to the general public, at all times complying with the Franchise Agreement and our confidential operations manual (the “**Operations Manual**”) to which you will be provided access at the time of training. You may only offer services and products with our prior approval.

If you are not an individual, then you must designate one of your owners, who must be an individual person and who must be reasonably acceptable to us, to act as the decision-maker and our primary contact for your Parlor (the “**Operating Partner**”). The Operating Partner must at all times own and control, or have the right to own and control, subject to conditions reasonably acceptable to us, not less than ten percent (10%) of your equity and voting rights, and must have completed our training program as described herein.

Regulatory Matters

You will be subject to various federal, state and local government regulations including those relating to construction, site location, and the preparation and sale of food that apply to Parlor operations, including those that apply more particularly to restaurants, such as laws and regulations regulating food storage, food and menu labeling, the preparation and sale of food and beverage products (including packaging requirements and ingredient restrictions), the handling of dairy products, and health and sanitation practice. Since in some jurisdictions you may sell alcohol-infused ice cream at your Parlor, you may be required to obtain a liquor license under state and local law. You may also have liability under dram shop laws for injuries relating to the sale and consumption of these substances. Your Parlor will also be subject to national, state, and local regulations that apply to all businesses, including the Americans With Disabilities Act, wage and hour laws, occupational health and safety (OSHA), equal employment opportunity, taxes, hazardous material, communications to employees, and business licensing requirements. Because you will accept credit cards, you will also have to comply with any general laws and regulations relating to the acceptance of credit cards, including Payment Card Industry (PCI) Data Security Standard (DSS).

You must acknowledge in the Franchise Agreement that you are responsible for keeping apprised of, and complying with, all applicable local, county, state and federal laws and regulations as they may

change from time to time. You should consult with your attorney and local, county, state, and federal government agencies concerning these and other laws and ordinances that may affect the operation of a Parlor before you sign a Franchise Agreement.

You (or your Operating Partner), your Parlor Manager (if applicable), and each of your managers and other employees we designate must be ServSafe certified or must have completed a similar safety training and certificate program approved by us. You must provide us proof of this certification upon our request.

Market and Competition

CLEMENTINE'S ICE CREAM Parlors offer products and services to the general public in urban and suburban locations throughout the year and compete primarily with locally owned businesses and national and regional chains, including shops and cafés that serve ice cream, other frozen desserts including frozen yogurt, custard, and shaved ice, other ice cream-based or sweet beverages including milkshakes and smoothies, and other businesses featuring dessert menu items including cookies, cakes, and similar dessert and sweet items. The market for ice cream and other frozen and dessert products is well-established often driven by fierce competition. The sales of CLEMENTINE'S ICE CREAM Parlors are typically seasonal with higher sales during warm weather.

In addition, we may establish other CLEMENTINE'S ICE CREAM Parlors in your area if permitted under the Franchise Agreement and/or sell or license others to sell CLEMENTINE'S-branded products and/or services in your area. Also, we may sell CLEMENTINE'S-branded and related products the same or similar to those offered at CLEMENTINE'S ICE CREAM Parlors through wholesalers, distributors, the internet, toll-free telephone numbers, catalogs, mobile or temporary locations such as a food truck, or other similar means of distribution to customers at any location, whether or not located in your area. In early 2026, we launched the sale of certain CLEMENTINE'S ICE CREAM products in certain grocery stores, and grocery sales may compete with your Parlor. To the extent your Parlor may be located near another CLEMENTINE'S ICE CREAM Parlor, you may appear to or actually compete with other CLEMENTINE'S ICE CREAM Parlors.

The ability of each Parlor to compete depends on its geographic location, marketing efforts, employee training, customer service, overhead costs, changing local market and economic conditions, and many other factors both within and outside your or our control. Prior business ownership and food service management experience is desirable for new franchisees, and prior customer service, hourly employee hiring, and management experience is vital. Your people management skills, business acumen, and financial management strength, as well as your passion for your Parlor, will all affect whether you succeed as a CLEMENTINE'S ICE CREAM Parlor franchisee.

ITEM 2

BUSINESS EXPERIENCE

Tamara Keefe / Founder, Chief Executive Officer and President

Tamara Keefe is the founder of the CLEMENTINE'S brand and has served as our Chief Executive Officer and President since our inception in January 2025. She also serves as Managing Member of ICD Holdings and its affiliates, positions she has held since the inception of each affiliate, beginning with the founding of the first CLEMENTINE'S entity in May 2014. Ms. Keefe serves in her current capacities in the St. Louis metropolitan area.

Jennifer Guinn / Chief Financial Officer, ICD Operations

Jennifer Guinn has served as Chief Financial Officer of ICD Operations since she joined our team in November 2023. Prior to joining us, Ms. Guinn served as Chief Financial Officer of Triad Catalog Co., LLC d/b/a Soft Surroundings, in St. Louis, Missouri, from December 2020 until she resigned in March 2023. Ms. Guinn serves in her current capacities in the St. Louis metropolitan area.

Eddie Cajina / Director – New Business Development, ICD Operations

Eddie Cajina has served as Director – New Business Development of ICD Operations since he joined our team in August 2025. Prior to joining us, Mr. Cajina served as Senior Sales Executive for Fox Valley Farms Inc. in Aurora, Illinois, from November 2024 to July 2025 and as Senior Vice President of Sales and Marketing for Meadowvale, Inc. in Sandwich, Illinois, from September 2003 to November 2024. Mr. Cajina serves in his current capacities in the St. Louis metropolitan area.

JulieClaire Lane / Director – Retail Operations, ICD Retail

JulieClaire Lane has served as Director – Retail Operations of ICD Retail since she joined our team in February 2022. Prior to joining us, Ms. Lane worked for Barnes & Noble Inc., primarily in the St. Louis metropolitan area, as Field Training Manager / District Training Manager from February 2011 to September 2021, and as District Manager from September 2021 to February 2022. Ms. Lane serves in her current capacities in the St. Louis metropolitan area.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item 3.

ITEM 4
BANKRUPTCY

On September 10, 2023, Triad Catalog Co., LLC (“Triad”), a company that is unrelated to us but was the former employer of Jennifer Guinn, ICD Operations’ current Chief Financial Officer, filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (Case No. 23-90771 (CML)). An order for joint administration with Case No. 23-90769 (CML) was entered on September 11, 2023, and the case was confirmed on November 3, 2023. The last known address and principal place of business of Triad is 1100 N. Lindbergh Blvd., St. Louis, Missouri 63132. Ms. Guinn was not personally a debtor in the Triad bankruptcy proceeding.

Neither we nor any of our affiliates, officers, or general partners has been involved in any other bankruptcy proceeding required to be disclosed under this Item 4.

ITEM 5
INITIAL FEES

Franchise Fee

When you sign the Franchise Agreement you must pay us an initial franchise fee of \$40,000 (“**Initial Franchise Fee**”). The Initial Franchise Fee is due in full when you sign the Franchise Agreement, and is non-refundable. The Initial Franchise Fee will be used for reviewing the initial Parlor site you have

identified and to provide initial training and other assistance for the opening of your Parlor. Except as described below, we have no intention, now or in the future, of reducing the Initial Franchise Fee for any prospective franchisees. As we only began our franchise system as of the date of this Disclosure Document, we did not collect any Initial Franchise Fees in our last fiscal year.

We offer a reduced initial franchise fee to existing franchisees of ours that are open, operating, meeting minimum sales and profitability thresholds that we establish, and in good standing (*i.e.*, not subject to any uncured default notice). If you meet these conditions and we approve you to operate additional Parlor(s), we will reduce the Initial Franchise Fee to \$32,000. We also offer a reduced initial franchise fee of \$32,000 to qualified owners of ice cream parlors that meet our requirements and wish to convert their existing business to become a CLEMENTINE'S ICE CREAM franchisee.

Expansion Option Fee

If you sign an Expansion Option Agreement for the right to an Expansion Territory as further described in Item 1, you must pay us \$10,000 (the “**Expansion Option Fee**”). This sum is non-refundable, including if your expansion option expires without being timely exercised. However, if you exercise your option and sign a Franchise Agreement for the Expansion Territory during the Option Period, we will credit your Expansion Option Fee toward the Initial Franchise Fee due under the Parlor Franchise Agreement for the Expansion Territory.

Founder's Circle

We have established a Founder's Circle advisory group (the “**Founder's Circle**”), which will consist of up to the first ten (10) franchisee entities that purchase one or more franchises in the System. Members of the Founder's Circle pay the same Initial Franchise Fee as other franchisees, as described above. In our discretion, we may offer members of the Founder's Circle certain benefits, concessions, or incentives in exchange for their participation in the Founder's Circle. Any such benefits or concessions may vary among Founder's Circle members and may be modified or discontinued at any time. The Founder's Circle serves in an advisory capacity only and has no voting rights, approval rights, or authority to bind us, control system decisions, or participate in the management or operation of the Clementine's System.

Opening Inventory and Uniforms

Before you open, our affiliate will sell you an opening inventory of ice cream and related products that includes cones, toppings, sauces, waffle mix, designated grab-and-go food and beverages, baked goods and desserts, and designated paper products, merchandise and branded materials, and other supplies. These expenses, which we expect to range from \$22,100 to \$28,500, are non-refundable. In addition, you will purchase designated employee uniforms from our affiliate, which we expect to cost from \$300 to \$1,100.

Furniture, Fixtures and Improvements

Before you open, our affiliate will sell you designated items to be installed or used in your Parlor, including custom wallpaper, tables and chairs, and sound system equipment. These expenses, which we estimate will range from \$14,100 to \$15,100, are non-refundable.

Technology Fees

As described in Item 6, you will pay us a Technology Fee each month during the term of your Franchise Agreement. The Technology Fee currently includes access to certain electronic systems, including your franchise management software, point-of-sale system (“**POS System**”) subscription, email

accounts, guest feedback platform, operations software, licensed music software, and product ordering platform. We estimate you will make the first payments of the Technology Fee approximately 30 days prior to your opening and, accordingly, you will pay us \$475 prior to your opening, provided you open within our standard timeframes. This fee is non-refundable under any circumstances.

ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks (See Note 1)
ROYALTY FEE	5% of Net Sales, subject to the Minimum Royalty Fee. (Note 3)	Due monthly by the 5 th day of the month for Net Sales from the prior month during the term of the Franchise Agreement. (the “ Payment Day ”).	Based on Net Sales during the previous calendar month. We will debit your bank account. We reserve the right to require a more frequent payment schedule upon notice to you. See <u>Notes 2, 3, 4 and 5</u> .
BRAND FUND CONTRIBUTION	Currently 2% of Net Sales, subject to a minimum of \$250 per month; but we reserve the right to increase to up to 4% of Net Sales upon notice to you.	Due monthly on the Payment Day.	Based on Net Sales during the previous month. We will debit your bank account. We reserve the right to require a more frequent payment schedule upon notice to you. See <u>Notes 2, 3, 4 and 5</u> .
LOCAL ADVERTISING EXPENDITURE	At least 1% of Net Sales; subject to adjustment of up to 2% of Net Sales based on the performance of your Parlor as described in Note 6.	As incurred, in connection with advertising programs that you choose.	We have the right to require that you provide us with proof that these funds were spent each month. If you fail to meet your required local advertising requirement, you must pay us the difference between the amount you spent and the required advertising expenditure. See <u>Notes 5 and 6</u> .

Type of Fee	Amount	Due Date	Remarks (See Note 1)
TECHNOLOGY FEE	Currently, \$475 per month.	Due monthly on the Payment Day, starting on the earlier of: (i) when we provide you access to your electronic systems, or (ii) the 12th month after you sign your Franchise Agreement.	This fee will cover certain technologies used in the operation of your Parlor. This fee currently includes access to certain electronic systems, including your franchise management software, POS System subscription, email accounts, guest feedback platform, operations software, licensed music software, and product ordering platform. This fee is subject to an annual increase of up to 5%, compounded annually on a cumulative basis, whether or not we implement an increase in any prior year. We reserve the right to upgrade, modify, and add new technology and/or software. See <u>Notes 4 and 5</u> .
TRANSFER FEE	\$15,000 or such greater amount to cover our reasonable costs and expenses associated with the transfer.	Before the consummation of the transfer or sale.	Payable when, and if, you transfer or sell your franchise. No transfer fee will be charged if you transfer your franchise to a corporation, limited liability company or other entity which you control. There are other conditions to transfer.
RENEWAL FEE	Currently, \$5,000, if you renew your Franchise Agreement in accordance with our requirements.	On or prior to renewal.	Payable when, and if, you renew your Franchise Agreement. There are other conditions to renew.
RELOCATION FEE	The greater of \$2,500 or our actual costs.	Prior to relocation.	Payable if you request to relocate your Parlor.
ANNUAL CONVENTION REGISTRATION	Currently, up to \$1,000 per attendee.	When you register for the annual convention.	If we hold an annual convention, you will pay this fee once a year, which covers registration of each attendee. This fee is subject to an annual increase of 5%, compounded annually on a

Type of Fee	Amount	Due Date	Remarks (See Note 1)
			cumulative basis, whether or not we implement an increase in any prior year. You will pay your own expenses separately. See <u>Note 7</u> .
ADDITIONAL TRAINING AND ASSISTANCE	Our then-current per diem fee per trainer, plus reimbursement of expenses. Current fee is \$500 per day per trainer.	As incurred	If, at any time during your operation of your Parlor, you request that we provide additional training, or if we determine that you require additional assistance or training, you must pay our then-current per diem training fee for each trainee, and you must reimburse us for all out of pocket costs and expenses incurred by our trainers associated with the additional training, including lodging, meals and travel arrangements of the trainers and other reasonable expenses.
QUALITY CONTROL INSPECTION PROGRAM	Will vary under the circumstances, not to exceed \$500 per day plus reimbursement of our actual expenses.	No more than quarterly during the term of the Franchise Agreement unless you default.	You must participate in our then current programs, at your cost and expense. Payable to us or to third parties as applicable.
CREDIT CARD FEES	Transaction fees are typically 3.0% of transaction amounts. Other fees may apply depending on the vendor used for credit card processing.	As incurred.	Payable if you pay your Royalty Fees, Brand Fund Contributions, or other payments using a credit card.
PRODUCT/SUPPLIER APPROVAL COSTS FOR TESTING AND EVALUATION OF PRODUCTS	The greater of \$1,500 or the reasonable cost of the evaluation and testing, plus reimbursement of our expenses if travel is required.	As incurred.	This covers the cost of testing new products or inspecting new suppliers you recommend. See <u>Note 8</u> .

Type of Fee	Amount	Due Date	Remarks (See Note 1)
AUDIT EXPENSES	The actual cost of the audit, which will vary under the circumstances.	Upon demand.	Due if audit of your books shows an understatement of your total amount owed to us for any reporting period, or if the audit is needed because you failed to follow our reporting requirements. See <u>Note 9</u> .
LATE REPORT FEE	\$50 per violation.	As incurred.	Payable only if a required report, filing, certificate, or statement is not delivered when due.
INTEREST AND LATE PAYMENT FEES	The lesser of 1.5% per month or the highest rate permitted by law plus a \$50 late payment fee.	Upon demand.	You must pay us or our affiliates a late payment fee and interest on any money you owe us or any of our affiliates after the due date.
RETURNED CHECKS OR INSUFFICIENT FUNDS SERVICE FEE	\$30 per occurrence.	Upon demand.	Payable if any of your payments to us are not honored by your financial institution. This fee is in addition to interest on the amount due.
STANDARD DEFAULT FEE	Up to \$500 for your first violation; increasing by \$500 for each violation thereafter during the then-current term of the Franchise Agreement.	Upon demand.	In addition to any rights and remedies we may have under the Franchise Agreement, if you breach certain provisions of your Franchise Agreement and fail to cure the default during the applicable cure period, you must pay us the relevant Standard Default Fee per default per cure period until the default is cured to offset our expenses incurred to address the default.
CURE EXPENSES, COLLECTION COSTS, AND POST TERMINATION / EXPIRATION EXPENSES	Our cost and expenses if we take action to cure any default by you under the Franchise Agreement, including costs of collection for unpaid amounts.	Upon demand.	Due only if you are in default under your Franchise Agreement, in which case you must reimburse us for the expenses we incur (including reasonable attorneys' fees) as a result of your default and to enforce and terminate your Franchise Agreement or Area Development Agreement if necessary. This also applies if your Franchise Agreement terminates or expires and we incur expenses in ensuring your compliance with the post-

Type of Fee	Amount	Due Date	Remarks (See Note 1)
			termination and post-expiration provisions.
COSTS AND ATTORNEYS' FEES	Will vary under the circumstances.	Upon demand.	Payable if we prevail in any legal dispute with you.
INDEMNIFICATION	Will vary under the circumstances.	Upon demand.	You must reimburse us if we are held liable for claims, damages or other relief arising out of your franchise operations.
LIQUIDATED DAMAGES	Will vary under the circumstances.	Upon demand.	You must pay this fee if we terminate your Franchise Agreement for cause. See <u>Note 10</u> .

Note 1: Except as noted, all fees are imposed by and payable to us or our affiliates and are non-refundable.

Note 2: "Net Sales" means all revenue that arises from operating your Parlor, including all sales, services, products and merchandise rendered on, in, about or from the Parlor, together with any revenues derived from the operation of the Parlor, whether by you or any other person, including without limitation (i) where orders originate and/or are accepted by you in the Parlor but delivery or performance thereof is made from or at any place other than the Parlor, (ii) catering sales, and (iii) digital, telephone or other similar orders received or filled at or in the Parlor; and whether paid from cash, check, vouchers, tickets, or other comparable forms of payment, credit and debit card, barter exchange, trade credit, or other credit transactions, net of authorized discounts of up to three percent (3%). Net Sales excludes: (i) all federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority, and (ii) tips and gratuities collected for employees of the Parlor. If we authorize or require participation in online group-bought deals, gift certificate or gift card programs, or other similar programs, the payments you receive for those online group-bought deals, gift certificates, or gift cards will be included in Net Sales upon redemption. Net Sales also include all insurance proceeds you receive for loss of business and loss of revenue, due to a casualty or similar event at your Parlor.

If you enter into the Expansion Option, all income or revenue generated in the Expansion Territory will be treated as Net Sales and be subject to the same conditions and obligations in the Franchise Agreement, including all Royalty Fee obligations.

Note 3: Beginning on the required opening date for your Parlor, you must pay us a Minimum Royalty Fee of \$750 per calendar month as set forth herein. If you have not opened your Parlor by the required opening date, you must pay the Minimum Royalty Fee per month plus five percent (5%) of any Net Sales (if any) earned from pre-opening activities; provided, we will not charge the Minimum Royalty Fee if you are diligently using all good faith efforts to open your Parlor, as determined in our discretion. After your Parlor opens, you must pay a royalty equal to five percent (5%) of your Net Sales each month, but after your first twelve (12) months of operation, in no event less than the Minimum Royalty Fee of \$750 per month which will be based off of the average monthly Net Sales of twelve (12) months of operation on a trailing twelve (12) month basis. The Minimum Royalty Fee will be assessed and payable monthly, and will be prorated for any partial month.

Note 4: Under the Franchise Agreement, we require that all Royalty Fees, Brand Fund Contributions, Technology Fees, and other fees as we may require, be paid by automated bank draft. Accordingly, you

must sign an electronic transfer of funds authorization for your bank account. Net Sales reports are due to us by the 5th day of each month or such other day as we establish. The Royalty Fee, Brand Fund Contribution and Technology Fee will be withdrawn from your designated bank account by EFT monthly on or before Payment Day (or the next day, if it is not a business day), or such other day as we may establish, based on Net Sales for the preceding month. If you do not report the Net Sales, we may debit your account for 120% of the last Royalty Fee, Brand Fund Contribution (and other fees) that we debited. If the Royalty Fee, Brand Fund Contribution, and other amounts we debit are less than the fees you actually owe us, we will debit your account for the balance on a day we specify. If the Royalty Fee, Brand Fund Contribution, and other amounts we debit are greater than the fees you actually owe us, we will credit the excess against the amount we otherwise would debit from your account during the following month.

Note 5: As of the date of this Disclosure Document, Corporate Parlors do, but are not required to, make Brand Fund Contributions, and Corporate Parlors are not required to pay Royalty Fees or Technology Fees. Corporate Parlors do not have a specific local advertising requirement, however they will make expenditures in local advertising programs as appropriate.

Note 6: If your Net Sales for any trailing twelve (12) month period are less than Four Hundred Fifty Thousand Dollars (\$450,000), then beginning with the next calendar month, your required local advertising expenditure will increase by an additional one percent (1%) of Net Sales (for a total required local advertising expenditure of 2% of Net Sales) until such time as your Net Sales for a trailing twelve (12) month period equal or exceed \$450,000. For purposes of this provision, the determination of Net Sales for a trailing twelve (12) month period will be made monthly, based on the most recently completed twelve (12) consecutive calendar months.

Note 7. The person holding a controlling interest in your business and your Operating Partner (if different), will be required to attend our annual convention each year, if one is held. We may also require your Parlor Manager, if you have one, to attend the annual convention. If you want to send more than 2 people to our annual convention, you will pay an additional registration fee for each person. We may increase this fee from time to time.

Note 8. If you want to purchase unapproved products, equipment, supplies, or services from other than approved suppliers, we may require that our representatives be permitted to inspect the supplier's facilities, and that samples from the supplier be delivered for evaluation and testing either to us or to an independent testing facility designated by us, or reimbursement of our expenses if travel is incurred. You must pay a charge equal to the greater of \$1,500 or the reasonable cost of the evaluation and testing, plus any travel expenses incurred by us.

Note 9. You must pay our audit expenses only if an audit of your records reveals an understatement of 2% or more of your total amount owed to us during the audit period. In addition to any unpaid amounts you may owe us, you must reimburse us for the actual costs we incur in conducting the audit, including travel, lodging, meals, and compensation of the auditing personnel that may travel to your Parlor or the location where your books and records are kept. The cost of the audit will depend on many factors that will vary on a case-by-case basis, like the condition and accuracy of your recordkeeping, the extent of your cooperation, the number of years of your accounting records that are reviewed during the audit process, and other circumstances unique to your particular audit. As a result, we are unable to estimate a range of the audit cost; however, these audit expenses will not exceed our actual costs.

Note 10. If we terminate your Franchise Agreement due to your breach, in addition to other amounts owed, you must pay us within 15 days after the effective date of termination liquidated damages equal to the average monthly Royalty Fees, Brand Fund Contributions, Technology Fees, and other amounts you paid or owed to us during the 12 months of operation preceding the effective date of termination (provided that

if your Parlor was not open during this entire 12 month period, we may use the average amount of such fees paid to us by franchisees in the System during such time period, or the Minimum Royalty, whichever is greater) multiplied by (a) 36 (being the number of months in three full years), or (b) the number of months remaining in the Franchise Agreement had it not been terminated, whichever is lower.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Initial Franchise Fee ⁽¹⁾	\$32,000	\$40,000	Lump Sum	Upon Signing Franchise Agreement	Us
Rent and Security Deposit ⁽²⁾	\$7,800	\$19,100	As Arranged	As Arranged	Landlord
Leasehold Improvements ⁽³⁾	\$356,500	\$576,500	As Arranged	Before Opening	Landlord, Contractors, Us
Furniture, Fixtures, & Equipment ⁽⁴⁾	\$136,600	\$164,100	As Arranged	Before Opening	Approved Suppliers and Us
Computer Systems & Technology ⁽⁵⁾	\$6,900	\$10,100	As Incurred	Before Opening	Approved Suppliers and Us
Signage ⁽⁶⁾	\$6,700	\$19,400	As Incurred	Before Opening	Approved Suppliers
Initial Inventory ⁽⁷⁾	\$23,900	\$32,800	As Incurred	Before Opening	Approved Suppliers and Us
Initial Training Expenses ⁽⁸⁾	\$8,300	\$27,900	As Incurred	Before Opening	Third Parties and Us
Grand Opening Plan/Market Introduction Program ⁽⁹⁾	\$15,000	\$30,400	As Incurred	As Incurred	Third Parties
Licenses and Permits ⁽¹⁰⁾	\$600	\$1,800	Upon Application	Before Opening	Government Agencies and Third Parties
Professional Fees ⁽¹¹⁾	\$3,600	\$10,300	As Incurred	As Incurred	Third Parties
Insurance ⁽¹²⁾	\$3,400	\$21,400	As Agreed	As Incurred	Insurance Companies

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Office Expenses ⁽¹³⁾	\$1,400	\$4,100	As Incurred	As Incurred	Third Parties
Dues & Subscriptions ⁽¹⁴⁾	\$1,800	\$3,800	As Incurred	As Incurred	Third Parties
Additional Funds – For Initial 3 Months of Operation ⁽¹⁵⁾	\$37,000	\$84,900	As Agreed	As Incurred	Various
TOTAL ESTIMATED INITIAL INVESTMENT⁽¹⁶⁾	\$641,500	\$1,046,600			

Notes:

We do not offer direct or indirect financing for these items. Our estimates are based on our experience, the experience of our affiliates, and our current requirements for Parlors. The factors underlying our estimates may vary depending on several variables, and the actual investment you make in developing and opening your Parlor may be greater or less than the estimates given, depending upon the location of your Parlor, and current relevant market conditions. Your costs will also depend on factors such as how well you follow our methods and procedures; your management skills; your business experience and capabilities; local economic conditions; the local market for our products and services; the prevailing wage rates; competition; and sales levels reached during your initial phase of business operations. All expenditures paid to us or our affiliates are uniform and non-refundable under any circumstances once paid. All expenses payable to third parties are non-refundable, except as you may arrange for utility deposits and other payments.

1. Franchise Fee. The Initial Franchise Fee is generally \$40,000 and is non-refundable. However, we discount the fee in certain specific circumstances including a reduced initial franchise fee of \$32,000 to qualified owners of parlors that meet our requirements and wish to convert their existing business to become a CLEMENTINE'S franchisee.
2. Rent. These figures presume that you will be leasing the Parlor premises. The estimate in the chart above includes your first month's rent payment and security deposits. The high estimate also includes utility deposits (for example, telephone, electricity, gas and water). We have assumed the security deposit to your landlord will equal one month's rent, although this may vary from landlord to landlord. The estimates assume that rent commences upon the Parlor's opening. We are unable to estimate the total cost of purchasing suitable premises for your Parlor or the amount of any down payment that would be required. Rent, common area maintenance fees and property taxes will vary depending upon the size of the premises, the site's condition, its location, building size, access to major streets, demand for the site, the build-out requirements and construction or other allowances from the landlord, and the requirements of individual landlords. A typical Parlor occupies approximately 1,000 to 1,600 square feet of net rentable space. (If, in limited circumstances, we approve a smaller location for your Parlor such as in an entertainment venue or food court, the net rentable space will be less.) A Parlor may be either a freestanding building, an in-line retail plaza space or an end cap plaza space, but, in any event, the Parlor requires ample parking, good visibility

and availability of prominent signage and, unless we otherwise agree, a patio. Because of the wide variation in lease rates for retail space, you should thoroughly investigate the costs of obtaining a location.

3. Leasehold Improvements. The cost of leasehold improvements will vary widely depending upon the size and condition of the premises, whether or not there are any existing and comparable leasehold improvements in the premises, the extent and quality of improvements desired by you over and above our minimum requirements, the landlord's cash contribution to the cost of the improvements, whether you utilize union or non-union labor, and other factors. Our estimates assume that the Parlor is approximately 1,000 to 1,600 square feet. Estimates assume that the space is delivered to you at a minimum, with a level concrete floor suitable for floor covering, air-conditioning, electricity, gas, sewers, bathroom facilities, water and plumbing suitable for a food service business, and that you have non-union labor available to you. Among other things, you will probably need to arrange for the following items to meet our standard plans and specifications: proper wiring and plumbing, floor covering, wall covering, partitions, lighting and fixtures, painting, and the like. The low estimate assumes you receive a tenant improvement allowance or cash contribution from your landlord for the cost of improvements. In calculating the low estimate of leasehold improvements, we included the lowest amount of tenant improvement allowance we or our affiliates have received related to the build-out of one of our corporate Parlors. The high estimate assumes you do not receive a tenant improvement allowance or cash contribution from your landlord. Your costs in the area of leasehold improvements may be positively affected if you are able to receive a tenant improvement allowance or cash contribution from your landlord for the cost of improvements. This line item also includes permitting, a walk-in freezer, custom wallpaper, construction management services, and architectural and design fees. You will be required to retain the services of a qualified architect and engineer to adapt our standardized plans and specifications based on our prototype(s) Parlor for the remodeling or build-out of your Parlor. We may from time to time develop or approve variations with respect to our prototype locations and plans.
4. Furniture, Fixtures & Equipment. You must purchase furnishings and fixtures necessary for the operation of your Parlor, including tables, chairs, benches, décor elements, and other items. You also must purchase or lease the equipment necessary to operate your Parlor. We require designated brands and types of equipment, including refrigeration equipment. This line item also includes cabinetry, lighting, a security system, and patio items. The range in this line item depends on the size of your Parlor, whether any fixtures or equipment exist in your premises, transportation costs, and other factors. This estimate assumes you purchase all furniture, fixtures, and equipment, although some of the equipment may be leased. If you elect to offer catering services, you must wrap your vehicle with our approved branding. The cost of a vehicle wrap ranges from \$4,580 to \$6,100, depending on vehicle size and local vendor pricing. This cost is not included in the estimates above.
5. Computer Systems and Technology. This includes the cost of our designated POS System equipment, including cash register and receipt printer, as well as other computer devices, your phone system, and payroll, and other software set-up fees that you will use to manage the Parlor. You will also be required to pay credit card processing costs, currently through the POS provider. The POS System and computer system is further outlined in Item 11.
6. Signage. The cost of signage may vary significantly depending on the location of your Parlor, market conditions and local codes. This line item includes indoor and outdoor signage and branding, as well as interior menu boards. In some instances, the use of additional or larger signage

may be possible, with our prior written approval; the costs of these optional items are not included in this line item.

7. Initial Inventory. You must purchase an initial inventory of certain items, including ice cream, cones, toppings, sauces, beverages, baked goods and desserts, and designated paper products, among other items. This line item also includes smallwares. You will need to replenish your initial inventory on an as needed basis as such items and other supplies are used. The amount and cost of your initial and subsequent orders for all of these items will vary depending on various factors, including the size and anticipated volume of your Parlor's sales and the frequency of your orders. This includes the opening inventory that you must purchase from our affiliate.
8. Initial Training Expenses. We provide initial training at no charge for up to three individuals, but you must arrange and pay for all food, transportation, lodging and incidental expenses for the people who attend the initial training program. Our estimates assume two people attend both phases of our initial training program in St. Louis, Missouri, and include wages for your Parlor Manager (but only for Phase 2 of training). You must also pay wages to any additional employees who attend initial training, which are not included in our estimates. Costs vary depending on the distance traveled, the type of lodging, and experience in the service industry. This line item also includes labor costs associated with pre-opening training of your employees.
9. Grand Opening Plan/Market Introduction Program. You must conduct a grand opening plan or a market introduction program with the opening of your Parlor. If your Parlor is opening in a market with existing CLEMENTINE'S Parlors, you will conduct a grand opening plan to introduce your Parlor to the market, and you must spend a minimum of \$15,000 on the plan. If you are opening in a market new to the CLEMENTINE'S brand, you will conduct a market introduction program to introduce the brand and your Parlor to the market, and you must spend a minimum of \$25,000 on the program. You must pay all costs of the plan or program. Costs may vary depending on your market and the type of advertising used. You will undertake these activities during a three-month period leading up to and after the opening of your Parlor, or, if you purchased an existing Parlor, within 90 days after the purchase of your Parlor. The low estimate assumes you are conducting a grand opening plan, while the high estimate assumes a market introduction program.
10. Licenses and Permits. This estimate does not include the cost of a liquor or similar license required to sell alcohol-infused products, which can be significant, particularly where such licenses are purchased in a private sale. Further, the cost of licenses required to serve alcohol-infused products varies widely depending on the state in which your Parlor is located. We have assumed that if a liquor license is required in your jurisdiction, your Parlor will not offer our alcohol infused ice cream.
11. Professional Fees. Professional fees include accounting and legal fees. You may engage an attorney to create a new entity to act as the franchisee organization, review this Disclosure Document and Franchise Agreement, and negotiate a real estate lease.
12. Insurance. The low range of this estimate covers a down payment equal to 40% of an estimated annual premium for the insurance required by the Franchise Agreement. The high range of the estimate would cover an estimated full annual premium. Insurance costs will vary depending upon factors such as the size and location of the Parlor.
13. Office Expenses. This line item includes the costs of professional cleaning, window cleaning, and pest control services, which your Parlor is required to use before opening and on an ongoing basis.

14. Dues and Subscriptions. This line item includes Technology Fees you will pay us before opening your Parlor, as well as subscriptions and licenses for other technology we require or recommend.
15. Additional Funds. This estimates the funds needed to help cover your pre-opening or pre-operations expenses and your expenses during the first three months of operation that are not covered by sales revenue. These expenses may include payroll costs (excluding any wage or salary paid to you), your second- and third-month's rent, utilities and other monthly services, marketing, monthly Technology Fees, other miscellaneous expenses, and additional funds. This estimate does not include Royalty Fees or Brand Fund Contributions, nor does it include food costs beyond the opening inventory costs identified in the table above. You will also need to have cash on hand for your registers. Your costs will vary depending on how rapidly your business grows. These figures are estimates based on the past business experiences of our affiliates in opening and operating Parlors. We cannot guarantee that you will not have additional expenses starting your franchised business. Your costs will depend on factors like how closely you follow our methods and procedures; your management skill, experience and business knowledge; local economic conditions; the local market for our products and services; the prevailing wage rate; competition; and the sales level achieved during the initial period.
16. General. We relied on our management's business acumen to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. The low estimates assume that you are acting as the Parlor Manager for your Parlor and you are not paying yourself a manager's wage or benefit. The amount shown is based primarily upon our experience in urban and suburban markets in Arkansas, Illinois, Kansas, and Missouri. These figures may vary considerably in other parts of the United States and assume you open a single Parlor. Your actual investment and expenditure may vary from the above estimates depending on many factors including where your Parlor is situated, the size of your Parlor, and your ability to negotiate to your benefit with your landlord for a contribution to the leasehold improvements. In addition, your costs will depend on factors like: your compliance with our methods and procedures; your management skill; your business experience and business acumen; local economic conditions; the prevailing wage rate; and the growth of your franchise during the initial period. If you open more than one Parlor, you will incur these costs for each Parlor. We do not offer direct or indirect financing to franchisees for any of these items. The availability and terms of financing will depend on factors like the availability of financing generally, your credit worthiness, collateral you pledge, policies of your lending institution, and economic conditions in your area. Our estimates do not include any finance charges, interest, or debt service obligations.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases and Designated Suppliers

To ensure a uniform image and quality of products and services throughout the System, all food products, supplies, ingredients, refrigeration equipment, other equipment, technology, furnishings, uniforms, fixtures, inventory, paper products, packaging, décor items, signs, beverages, smallwares, and other items used, sold, displayed or distributed in your Parlor (i) must comply with our methods, standards, specifications and requirements, and (ii) must be procured from manufacturers, distributors, and suppliers who demonstrate to our continuing reasonable satisfaction the ability to meet our standards, specifications, and requirements, who possess adequate quality controls and capacity to supply your needs promptly and reliably, and who have been approved by us in the Operations Manual or otherwise in writing. You may

not purchase or lease, offer or sell any products or services, or use at your Parlor, any products or services that we have not previously approved as meeting our standards, specifications and requirements.

You may purchase these items from any supplier that meets our standards and specifications, unless we designate one or more exclusive suppliers for an item, in which case, you must purchase the item from such exclusive supplier(s). We may designate at any time and for any reason a single or multiple suppliers for these items and require you to purchase exclusively from the designated supplier or suppliers, which exclusive designated supplier(s) may be us or an affiliate of ours. We may disapprove of products and suppliers based on our desire to consolidate System purchases through fewer suppliers.

In addition to the supplies you must buy from us or our affiliates described below, as of the date of this Disclosure Document, we maintain designated suppliers as the sole source of supply for: (1) our designated POS System hardware and software, gift cards, loyalty cards, and credit card processing; (2) your walk-in freezer, dipping cabinets, and certain equipment; (3) a streaming music service with dedicated equipment; (4) a required freezer and refrigeration temperature data monitoring and recording system; (5) a customer feedback and response survey service; and (6) branded cups, cone sleeves, compostable spoons, napkins, and other merchandise and branded materials. You also are required to use our designated site selection analysis provider to assist in your site selection process, although as of the date of this Disclosure Document, there is no charge for this site selection service. At your option, you may engage the site selection provider for additional services, such as lease negotiation, construction management, and related services, and if you do, you will pay this provider directly for those additional services.

You must also adhere to our standards and specifications for the construction and design of the Parlor, which will include requirements for the interior and exterior layout, signage, fixtures and trade dress including the color scheme. We are free to modify any of our methods, standards, specifications and requirements at our discretion. These modifications will be communicated to you in our Design Manual via our Operations Manual or otherwise in writing. We have no obligation to make available to prospective suppliers the standards and specifications that we deem confidential. We may, at any time, change, delete, add to or modify any of our standards and specifications. These changes, deletions, additions or modifications, which will be uniform for all franchisees, may require additional expenditures by you. You must prepare all required construction plans and specifications and ensure they comply with building codes and ordinances. If your construction plans and specifications deviate from our plans and specifications, you must obtain our approval of the changes. It is your responsibility to obtain all required licenses, permits and approvals associated with constructing and operating your Parlor.

Us and Our Affiliates as Suppliers

As of the date of this Disclosure Document, you are required to buy from ICD Operations, and ICD Operations is the sole source of (1) all ice cream, (2) certain cones, toppings, sauces, waffle mix, designated grab-and-go food and beverages, baked goods and desserts, employee uniforms, and designated paper products, merchandise and branded materials, and other supplies. In connection with the buildout and furnishing of your Parlor, you also will purchase from ICD Operations, and ICD Operations is the sole source of (1) tables and chairs, (2) sound system equipment, and (3) Clementine's custom wallpaper. Otherwise, as of the date of this Disclosure Document, we or our affiliates are not suppliers of any products, supplies, equipment or other items used in the operation of your Parlor. We may also supply you with branded promotional items and materials and other materials utilizing our Marks at our cost plus a markup for handling, and although we are not currently requiring you to purchase these goods from us, from a practical matter they may not be available from other sources. We reserve the right to designate ourselves and/or any of our affiliates as an approved supplier of additional items in the future, and we may even designate ourselves or an affiliate as the sole supplier of additional items, in which case, you would have to buy the item from us or our affiliate at our or its then-current price. Our Operations Manual and other

communications will identify our standards and specifications and the names of approved or designated suppliers. When we are a designated supplier, we may charge you a reasonable mark-up, surcharge and handling fee on any items you purchase from us. Monies you pay to us will include a profit for us.

Rebates and Allowances

In addition to the above, we and our affiliates have the right to receive payments or other benefits like rebates, discounts and allowances from authorized suppliers based upon their dealings with you and other franchisees and we may use the monies we receive without restriction for any purpose we deem appropriate or necessary, however, as of the date of this Disclosure Document, we will contribute a portion of these proceeds to the Brand Fund. We do and reserve the right to receive payments from authorized suppliers that we retain as profit related to their dealings with our franchisees and the System, and suppliers may pay us based upon the quantities of products the System purchases from them. These payments will usually be based upon an amount per unit or percentage rebate, and generally range from 1.5% to 6% of the purchases you make from the vendor. We may receive payments from a supplier as a condition of our approval of that supplier. We do not provide any material benefits to you, such as the grant of additional franchises and/or territories, based on your use of designated or approved suppliers. There are currently no purchasing or distribution cooperatives in our System. We have negotiated price terms with some suppliers. In addition, in the future various vendors and suppliers may contribute to the cost of any annual franchise convention for the System through rebates, contributions or purchasing booths at the convention. We negotiate supply arrangements with suppliers for the benefit of franchisees, and may continue to do so in the future.

As we only began offering franchises as of the date of this Disclosure Document, during our last fiscal year ended December 31, 2025, neither we nor any affiliate received any revenue as a result of the sale of goods and services to our franchisees.

Other than us and our affiliates, there are currently no approved suppliers in which any of our officers own an interest.

Proportion of Purchases Subject to Specifications

Since a majority of the items you will purchase or lease to begin operating your business must meet our specifications, you can expect that the items you purchase or lease that must meet our specifications will represent 70% to 90% of the total purchases you will make to begin operations. Once you begin operating, we expect that these items will represent approximately 80% to 90% of your total annual costs of purchases and leases of goods and services. There are currently no purchasing or distribution cooperatives within the System. In the future, we may require you to (i) become a member of purchasing and/or distribution cooperatives/associations/programs designated by us and/or established by us for the System, (ii) remain a member in good standing of such groups or programs and (iii) pay all membership dues or fees on purchases that are assessed by such groups or programs.

Insurance

You must obtain and maintain, at your own expense, the insurance coverage we require, and you must meet the other insurance-related obligations in the Franchise Agreement. You will be required to obtain proof of coverage and submit the same to us on a periodic basis. We specify the minimum amount of insurance coverage in the Franchise Agreement; however, you may desire to obtain greater coverages. The cost of your insurance will vary depending on the insurance carriers' charges, the terms of payment, and your insurance history.

During the term of your Franchise Agreement, you must maintain in force, at your sole cost and expense, minimum insurance coverage, which as of the date of this Disclosure Document, is as follows:

For a single Parlor: (i) comprehensive general liability in the minimum amount of \$2,000,000 per occurrence, \$2,000,000 in the aggregate, which can be accomplished using a combination of a general liability policy and umbrella policy (Franchisor must be listed as an additional insured for grantor of franchise, and must include primary and non-contributory endorsement in favor of Franchisor); (ii) workers' compensation in at least the minimum amounts required by law, including benefits provided under coverage B - employers liability limits of \$1,000,000 bodily injury by accident, \$1,000,000 bodily injury by disease policy limits, \$1,000,000 bodily injury by disease each employee; (iii) automobile liability insurance (if own vehicles for catering) in the minimum amount of \$1,000,000 per occurrence and \$1,000,000 in the aggregate; (iv) automobile liability insurance (hired and non-owned liability for delivery) in the minimum amount of \$1,000,000 per occurrence, \$2,000,000 in the aggregate; (v) cyber liability in the minimum amount of \$1,000,000 per occurrence, \$1,000,000 in the aggregate (Franchisor must be listed as additional insured for vicarious liability); (vi) employment practice liability (EPL) in the minimum amount of \$500,000 per occurrence, \$500,000 in the aggregate (requires EPL third party liability included in full EPL limit, EPL sublimit of \$100,000 for wage and hour liability, and Franchisor must be listed as additional insured for vicarious liability/co-defendant); (vii) business interruption and extra expense insurance for actual sustained loss you sustain for 12 months; (viii) personal property insurance for full repair and replacement value of all business personal property and buildout/tenant improvements and betterments; (ix) employee theft insurance in the minimum amount of \$25,000; and (x) any insurance required by the terms of the lease with your landlord, and if there is no such lease, fire and extended coverage insurance (including, if applicable, flood and earthquake coverage) covering the building and all equipment, supplies, products, inventory, furniture, fixtures and other tangible property located in the Parlor or on the premises in the amount of the full replacement value of such property.

Computer Systems and Required Software

We require that you purchase, maintain and upgrade, as necessary, certain computer hardware, software and computer-related services, including but not limited to internet and telephone service, which are listed in the Operations Manual or your Franchise Agreement. We may require you to maintain the network connections that we require, as well as the ability to accept major credit cards, debit cards, and other non-cash payments for customer purchases. This may require that you invest in additional equipment and that you incur fees from the credit card processing vendors that we designate. You must license or sub-license certain required software and digital applications from us or designated providers, described in Item 11 below. You must execute any software license agreements that we or the licensor of the software require and any related software maintenance agreements.

Maintenance, Service and Support Contracts

We may require you to maintain maintenance or service contracts on all equipment and machinery designated by us, including your computer and POS System (the costs may vary based on the items and the contract you select), and we will have the right to designate the vendors for those contracts. We may also require you to maintain contracts, or participate in any of our contracts, with third parties offering customer service experience, food safety or other service programs designed to audit, survey, evaluate or inspect business operations. We have the right to specify the third parties and the required level of participation in these programs. You will be responsible for the cost of maintaining these contracts and/or participating in these programs.

Approval of Alternative Suppliers

Except for products and services that are available from a single source, if you wish to purchase any item from a supplier we have not previously approved or an item that does not comply with our standards and specifications, you must first submit to us a written request for approval. We will require the proposed supplier to provide us with certain financial and operational information and other information regarding the supplier and the items to be approved. In addition, the proposed supplier must permit our representatives to inspect its facilities (e.g. business offices and/or manufacturing facilities, as applicable). We reserve the right, at our option, and at the proposed supplier's expense, to inspect or re-inspect the facilities, equipment, and raw materials of any supplier, at any time. Before we approve a supplier, we will evaluate the economic terms of a possible relationship and ensure that the proposed supplier meets our requirements. When approving suppliers, we consider whether they demonstrate the ability to meet our standards and specifications, and whether they possess adequate quality controls and capacity to supply your needs promptly and reliably.

The proposed supplier or you must pay, in advance, a fee equal to the greater of \$1,500 or the actual reasonable cost of any evaluation, testing, and inspections we undertake, the actual amount of which will depend on the evaluation, testing and inspections necessary to test such supplier's products. Within a reasonable time frame after we receive the completed request and after we complete any evaluation and inspection or testing (approximately 45 days), we will notify you in writing of our approval or disapproval of the proposed supplier or item. Generally, we will respond to your requests for supplier approval within a reasonable time period not to exceed 90 days. We are not required to approve any supplier or item not meeting our standards and specifications. We may deny approval for any reason, including our determination to limit the number of approved suppliers. You must not use, offer for sale or sell any of the proposed supplier's products or any other product that does not meet our standards or specifications until you receive our written approval of the proposed supplier or item.

We may revoke our approval of particular goods or services, or of the supplier that supplies them, if we determine, in our sole discretion, that they no longer meet our standards or specifications. If you receive a written notice of revocation from us, you must stop selling disapproved products and/or stop purchasing from the disapproved supplier.

ITEM 9 FRANCHISEE'S OBLIGATIONS

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

Obligation	Section or Exhibit in Franchise Agreement	Section or Exhibit in Expansion Option Agreement as noted	Disclosure Document Item
a. Site selection and acquisition/lease	Section 3 and Exhibit G	Not Applicable	Items 7, 11 and 12
b. Pre-opening purchases/leases	Sections 4.01 and 9.02	Not Applicable	Items 7 and 8
c. Site development and other pre-opening requirements	Sections 3, 6, 9.02	Not Applicable	Items 6, 7, 8 and 11
d. Initial and ongoing training	Section 4	Not Applicable	Items 7, 11 and 15
e. Opening	Sections 3, 4.01, 4.06, 10.01, and 14.03, Exhibit H	Not Applicable	Items 6, 7 and 11

Obligation	Section or Exhibit in Franchise Agreement	Section or Exhibit in Expansion Option Agreement as noted	Disclosure Document Item
f. Fees	Sections 4, 6, 11.02, 12, 13.02, 15.01 and 19.06	Section 3	Items 5, 6, 7 and 11
g. Compliance with standards and policies/Operating Manuals	Sections 3, 4.07, 9.01, 9.07, 10.04, 10.05	Not Applicable	Items 8, 11, 13, 14 and 16
h. Trademarks and proprietary information	Sections 4.07, 5, 7, 10.04, 10.05, 16.02	Not Applicable	Items 11, 13 and 14
i. Restrictions on products/services offered	Section 9	Not Applicable	Items 8 and 16
j. Warranty and customer service requirements	Not Applicable	Not Applicable	Not Applicable
k. Territorial development and sales quotas	Not Applicable	Not Applicable	Items 1, 5, 6 and 12
l. Ongoing product/service purchases	Section 9	Not Applicable	Item 8
m. Maintenance, appearance and remodeling requirements	Sections 9 and 15.01	Not Applicable	Items 7, 11 and 17
n. Insurance	Section 9.05	Not Applicable	Items 6, 7 and 8
o. Advertising	Sections 9 and 10	Not Applicable	Items 6, 7, 11 and 12
p. Indemnification	Section 17.02	Not Applicable	Item 6
q. Owner's participation/management/staffing	Section 8.03	Not Applicable	Item 15
r. Records/reports	Sections 11 and 12, Exhibit H	Not Applicable	Item 6
s. Inspections/audits	Sections 4.09, 9.01 and 12	Not Applicable	Item 6
t. Transfer	Section 13	Section 10	Items 6 and 17
u. Renewal	Section 15	Not Applicable	Items 6 and 17
v. Post termination obligations	Sections 7 and 16	Not Applicable	Items 14, 15 and 17
w. Noncompetition covenants	Sections 7 and 9.10, and Exhibits C and E	Not Applicable	Items 14, 15 and 17
x. Dispute resolution	Section 18	Section 14	Item 17
y. Personal Guaranty	Section 8.02 and Exhibit C	Not Applicable	Item 15
z. Confidential Information	Sections 4.05, 7, and 16.02, and Exhibits C and E	Not Applicable	Items 11, 14 and 15

ITEM 10 FINANCING

Neither we nor any affiliate offers, directly or indirectly, any financing to you. We do not guarantee any of your notes, leases or obligations. We are unable to estimate whether you will be able to obtain financing for any or all of your investment or the terms of any financing.

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

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

Pre-Opening Services

Under the Franchise Agreement: Before you open your Parlor, we will:

- (a) License you the Marks for use in developing, advertising, opening and operating the Parlor. (Section 1 of the Franchise Agreement)
- (b) Provide consent to (once it meets our standards and requirements) the lease, sublease or purchase agreement for your Parlor site. We do not choose the site but you will be given site criteria based on the existing Parlors. The site must meet these criteria, which may include demographic characteristics, traffic patterns, parking, character of neighborhood, competition from proximity to and the nature of other businesses, size, appearance, and other physical and commercial characteristics, unless we otherwise approve your site. You must submit to us all information and other data about the proposed Parlor site that we reasonably request. You cannot operate a Parlor without our evaluation and acceptance of the site for the Parlor. (Section 3.01 of the Franchise Agreement)
- (c) Provide you with a set of standard specifications for a prototype Parlor, which will include requirements for dimensions, design, image, interior layout, décor, fixtures, equipment, signs, furnishings and color scheme. We must approve any and all changes or revisions to these plans and specifications. (Section 3.04 of the Franchise Agreement)
- (d) Identify operating assets, and food products and supplies, that you must use to develop and operate the Parlor, which includes the minimum standards and specifications that you must satisfy, and the designated and approved suppliers from whom you must or may buy or lease these items (which may be limited to and/or include us, our affiliates, and/or other specified exclusive sources). (Sections 9.02 of the Franchise Agreement)
- (e) Loan you one copy of our Operations Manual, which may consist of a number of individual manuals, and which may be delivered in electronic format. (Section 4.07 of the Franchise Agreement) The table of contents of the Operations Manual is attached to this Disclosure Document as Exhibit D.
- (f) Provide an initial training program to you and/or your Operating Partner and certain of your personnel. However, you will be responsible for all fees, compensation and expenses (including transportation, lodging, food, and incidental expenses) incurred in connection with any training programs. This training is described in detail later in this Item 11. (Section 4.01 of the Franchise Agreement)

Post-Opening Services

Under the Franchise Agreement: Following the opening of your Parlor and during its operation, we will:

- (a) Provide periodic guidance to you with regard to the operation of your Parlor, including improvements and changes to the System, and periodically modify the Operations Manual to reflect changes in standards, specifications, requirements and operating procedures. (Sections 4.06 and 4.07 of the Franchise Agreement)
- (b) Notify you of changes to our list of approved or designated suppliers, or the termination of

existing approved or designated suppliers. (Section 9 of the Franchise Agreement)

(c) We or our designee will administer the Brand Fund for the development of advertising and related programs and materials, as stated in the Franchise Agreement and as described below in this Item 11 (Section 10 of the Franchise Agreement)

(d) Provide periodic and ongoing training programs for you and/or your Operating Partner and your other personnel, as we deem appropriate. This training is described in detail later in this Item 11. (Section 4.03 of the Franchise Agreement)

(e) We or a designee will periodically inspect, as we deem necessary, your Parlor and operations to assist you in complying with your Franchise Agreement and all System standards and provide advice based on such inspections. (Section 4.07 of the Franchise Agreement)

(f) Provide such additional advice, assistance and guidance as we may agree to, at your sole cost and expense. (Section 4.04 of the Franchise Agreement)

Site Selection

Under the Franchise Agreement

Before you sign your Franchise Agreement, we will work with you to determine a Territory (described in Item 12) for your Parlor that is mutually acceptable. You select the site for your Parlor, subject to our acceptance.

The site for your Parlor may be leased or owned by you. The proposed site for your Parlor must be accepted by us along with any applicable lease, sublease or purchase agreement. Our approval of a site will be based on the information you give us to review, including a site plan. The information should include: (i) square footage; (ii) traffic patterns, flow, and total count; (iii) density and income level of the surrounding population; (iv) land and building costs; (v) zoning patterns; (vi) surrounding educational, recreational, and tourist facilities; (vii) terms of the lease, if any; (viii) the distance from competitive businesses, including other Parlors; (ix) nearby retail, dining, and entertainment establishments; and (x) other factors having a substantial bearing on the proposed site. In addition, you must submit for acceptance by us proposed site and construction plans and any modification to our specifications you propose. The construction of the premises must be completed according to our specifications. If you lease the premises, you and the landlord must enter into a lease reasonably acceptable to us, which includes the Lease Rider in substantially the form attached to the Franchise Agreement (currently as Exhibit G). If we do not approve a site, you must propose a new site. If we and you are unable to agree upon a site for your Parlor and, as a result, you fail to meet the required opening date, we may terminate your Franchise Agreement. Once we have all the necessary documentation for review, we typically review that information and approve or disapprove the proposed site and lease within 30 days.

We expect that the time from the date you sign the Franchise Agreement to the date you open your Parlor to be between 10 and 12 months. The factors that affect this timing are financing, building permits, zoning, liquor license and local ordinance issues, and delayed installation of equipment, fixtures, and signs. Your Parlor must be open and operating within 12 months after you sign the Franchise Agreement.

Operations Manual

Exhibit D to this Disclosure Document is a summary of the content contained in our Operations Manual. As of the date of this Disclosure Document, our Operations Manual is approximately 232 pages.

In lieu of a printed document, the Operations Manual may consist of digital documents, software, digital videos, information provided on the internet or an extranet, or any other medium we adopt periodically for use with the System and designate as part of the Operations Manual, and may consist of a number of individual manuals. (Section 4.07 of the Franchise Agreement)

Advertising

Brand Fund Contribution

We operate a System brand fund (the “**Brand Fund**”) to promote CLEMENTINE’S® Parlors in the System and conduct other promotional and marketing activities. You will pay us a monthly marketing contribution equal to 2% of your Net Sales for the preceding month, subject to a minimum of \$250 per month (the “**Brand Fund Contribution**”), although we have the right to increase the Brand Fund Contribution to an amount up to 4% of your Net Sales for the preceding calendar month.

The Brand Fund will be used solely to pay for reasonable expenses we incur in connection with the general promotion of the Marks and the System, including without limitation expenses arising from:

- Formulating, developing, producing, and implementing advertising, marketing, promotional and public relations campaigns;
- Creative development services, including improvements and iterations in Parlor design, trade dress, logo, further development of the Marks or creation of additional Marks, graphics, and advertising and promotional items, initiatives, and concepts;
- Maintaining, updating, hosting, and supporting a website and mobile technology app, including Parlor locator functionality;
- Market research and analytics;
- Engaging third-party advertising or public relations professionals or firms;
- Developing, administering, and distributing, in print or electronically, coupons, certificates, stored value card programs, and related initiatives;
- Obtaining sponsorships and endorsements;
- Creating, developing, and distributing social media content and maintaining social media channels;
- Monitoring the adherence to customer relations standards by franchisees;
- Developing and managing national and regional accounts; and
- Training on sales and promotional activities.

Disbursements from the Brand Fund will also cover expenses in connection with the costs of administering the Brand Fund, including the cost of accounting expenses and the actual costs of salaries and fringe benefits paid to our employees engaged in administration of, and execution of activities related to, the Brand Fund. We will determine the methods of advertising, media employed and the geographic scope, contents, terms and conditions of advertising, marketing, promotional and public relations campaigns and programs. We will direct all programs financed by the Brand Fund and will have sole control over the creative concepts and materials used and their geographic, market, and media placement and allocation. We may use the Brand Fund to advertise locally, regionally, nationally, or internationally in print materials, on radio or television, on the internet, and through social media channels, according to our sole discretion. We intend to use the Brand Fund to maximize recognition of the CLEMENTINE’S® brand and System as a whole, but we have no obligation to ensure that we make marketing expenditures in or affecting any particular geographic area, or to ensure that expenditures across geographic areas are proportionate in any way. Brand Fund Contributions will not be used for advertising principally directed at the sale of franchises.

The Brand Fund is not a trust or escrow account, and we have no fiduciary obligations regarding the Brand Fund. We will make the financial statements of the Brand Fund available for review by franchisees on an annual basis upon written request within 120 days of the calendar year-end. We may reduce or suspend Brand Fund Contributions and/or operations of the Brand Fund for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund and associated Brand Fund Contributions. If we terminate the Brand Fund, we will spend the remaining balance of the monies in the Brand Fund in accordance with our System standards until such amounts are exhausted. We may loan amounts to the Brand Fund and use future contributions to repay those amounts.

As of the date of this Disclosure Document, Corporate Parlors in the United States do but are not required to contribute to the Brand Fund at the same percentage rate as a majority of CLEMENTINE'S ICE CREAM Parlors are required to pay to the Brand Fund. As we only began franchising as of the date of this Disclosure Document, during our last fiscal year ending December 31, 2025, we did not collect any Brand Fund Contributions, and the Brand Fund did not make any expenditures.

Local Advertising

You must spend at least 1% of your Net Sales annually on local advertising (e.g., marketing, promotions, publicity, digital advertising). Once your parlor is opened for a full twelve (12) months, if your Net Sales for any trailing twelve (12) month period are less than Four Hundred Fifty Thousand Dollars (\$450,000), then beginning with the next calendar month, your required local advertising expenditure will increase by an additional one percent (1%) of Net Sales (for a total required local advertising expenditure of 2% of Net Sales) until such time as your Net Sales for a trailing twelve (12) month period equal or exceed \$450,000. For purposes of this provision, the determination of Net Sales for a trailing twelve (12) month period will be made monthly, based on the most recently completed twelve (12) consecutive calendar months.

You must submit to us a quarterly accounting of all local advertising expenditures within one month after the calendar quarter in which they occur. If you fail to meet your local advertising requirement, you must pay to the Brand Fund the difference between the amount you spent and the required advertising expenditure. Corporate Parlors are not required to spend any minimum percentage of their Net Sales on local advertising nor participate in an advertising cooperative; however, they will make expenditures in local advertising programs, as appropriate.

Certain criteria will apply to any local advertising and promotions that you conduct. All of your local advertising and promotions must be dignified, must conform to our standards and requirements, and must be conducted in the media, type, and format that we have approved. You must follow the procedures provided in the Operations Manual, including all brand guidelines, with respect to all advertising and promotional requirements. You may not use any advertising or promotional plans that do not conform to the guidelines in the Operations Manual or that we have not approved in writing. Your prices for products and services at your Parlor must also be approved by us (to the extent allowed by applicable law), which may be established based on your region, market or other factors, and which also apply to any delivery platforms that we allow you to use. We will have 10 days after submission to us to review your proposed advertising and promotional plans and materials and/or prices. Unless we provide our specific approval in writing of your proposed advertising and promotional plans and materials, and prices, they are deemed not approved. Any advertising that you propose to use that does not conform to the guidelines in the Operations Manual or has not been provided or approved by us in the immediately preceding 12-month period must be submitted to us for our approval before you may use it. We also reserve the right to require you to discontinue the use of any previously approved advertising, promotional, sales, or marketing materials. Any materials you request us to create or submit to us for our review will become our property, and there will be no restriction on our use or distribution of these materials. At our request, you must include certain

language in your local advertising materials, such as “Franchises Available” and our Website address, telephone number, social media icons, and addresses.

You must participate in any other promotional and advertising programs that we establish. You may advertise and solicit customers within and outside of your Territory (described in Item 12). We, our affiliates, and other franchisees may advertise within your Territory. You may provide catering or delivery services outside of your Territory only with our approval, but as of the date of this Disclosure Document, after your Parlor has been open and consistently operating at high standards sufficient to demonstrate your ability to efficiently take on catering, we generally allow you to offer catering and delivery services (i) to homes and businesses located within a reasonable distance of your Parlor, as long as they are not within the protected territory of another franchisee, and (ii) to homes and businesses with which you have an existing relationship as defined by our then-current policies in our Operations Manual. You may utilize third-party delivery services based upon the terms of service and range of delivery that is typical for such provider, or that we may approve from time to time in our discretion. If these services deliver in another franchisee’s protected territory, you will not be required to compensate the other franchisee, and other System franchisees may provide the same third-party services in your Territory without compensating you. You may not ship items from your Parlor without our prior approval. You will also be offered the right to participate in our National Account and / or Regional Accounts Program as described in Item 12.

No advertising or promotion outside of our requirements and guidelines in our Operations Manual may be conducted by you over the internet, social media, or through other forms of electronic or digital media, whether within or outside your Territory, without our express prior written consent, which we can withhold for any or no reason. (Section 10.05 of the Franchise Agreement)

As of the date of this Disclosure Document, we do not have any local or regional advertising cooperatives that franchisees must participate in or an advertising council comprised of franchisees. We have the right, however, to establish local and/or regional advertising cooperatives for Parlors covering such geographical areas as we may designate at any time and from time to time. With respect to any advertising cooperative we establish and which we designate for your Parlor, you must participate in such advertising cooperative and its programs and abide by its by-laws. You must contribute such amounts to the advertising cooperative as it determines at any time and from time to time in accordance with its by-laws. Contributions to such local and regional advertising cooperatives will be credited toward your local advertising requirement, with the exception of certain special regional promotions we may designate from time to time. If we establish any advertising cooperative, its by-laws will be available for your review. You must participate in all gift certificate, gift card, loyalty, and rewards programs sponsored at any time by us. There are currently no expected costs to you associated with the gift card program other than your responsibility to pay swipe fees on any gift cards purchased with credit cards, costs of the gift cards, and your obligation to give away product based on rewards your customers acquire and redeem. In addition, you are required to participate at your expense in all programs sponsored at any time by us to promote and reward the frequent and regular customers of CLEMENTINE’S Parlors.

Grand Opening Plan/Market Introduction Program

You must develop and implement a grand opening plan or market introduction program approved by us for your Parlor. If your Parlor is opening in a market with existing Clementine’s Parlors, you will conduct a grand opening plan to introduce your Parlor to the market, and you must spend a minimum of \$15,000 on the plan. If you are opening in a market new to the Clementine’s brand, you will conduct a market introduction program to introduce the brand and your Parlor to the market, and you must spend a minimum of \$25,000 on the program. You must pay all costs of the plan or program. Costs may vary depending on your market and the type of advertising used. You will undertake these activities during a three-month period leading up to and after the opening of your Parlor, or, if you purchased an existing Parlor, within 90

days after the purchase of your Parlor. The low estimate assumes you are conducting a grand opening plan, while the high estimate assumes a market introduction program (Section 10 of the Franchise Agreement). The grand opening plan or market introduction program must comply with our standards and specifications as set forth in the Operations Manual, and you must use advertising, marketing, and public relations programs, firms, media, and materials that we approve in writing.

Computer Hardware and Software

You will need to acquire (either by purchase or lease) the computer hardware and software system that we may specify from time to time. This system may include, without limitation, computerized data processing systems, data, audio, video, and voice storage, retrieval, and transmission systems for use at Clementine's Parlors, between or among Clementine's Parlors, and between and among the System and us and/or franchisees; credit card, debit card, and other non-cash payment systems, and related hardware; physical, electronic, and other security systems; tablets, printers and other peripheral devices; and archival back-up systems. The overall up-front cost of the computer system ranges from \$6,900 to \$10,100. This includes the cost of POS System equipment, which, as of the date of this Disclosure Document, ranges from \$2,100 to \$2,800.

Before opening your Parlor, you must acquire and install, at your expense, our approved POS System. Currently, our POS System requirements mandate that each Parlor must have stationary POS System register, a handheld terminal, receipt printer, barcode scanner, cash drawer, and all related hardware and software, that meets the specifications in the Operating Manuals. As of the date of this Disclosure Document, you must purchase the POS System directly from our designated vendor. You must use the POS System, among other things, to post all product and service sales, process and redeem gift cards and loyalty rewards, keep inventory control, post sales tax, refunds and credits, manage loyalty programs, track labor, and manage merchant card processing. You must allow us on-demand access to your POS System and we require that you maintain the POS System menu to our specifications.

In addition to the POS System, you must have internet access and a computer system that meets our standards and specifications, including a "back office" manager's office system that includes at least one computer initially, dedicated solely to the operation of your Parlor that uses the current Windows® operating system or another operating system approved by us. The computer system will assist you in the operation of your Parlor. The types of data to be generated or stored in the POS System and computer system include sales, inventory, labor, tips, guest counts, product mix, and loyalty and gift card information. You will be solely responsible for the acquisition, operation, maintenance, and upgrading of the computer system, and all associated costs. You are also responsible for training costs associated with the use of the computer system and required software, and you must complete such training on the required software as we may require.

You must have access to and license the software included as part of the Technology Fee, which, in addition to the POS System subscription, includes: Microsoft Office, through which you will receive two individual email accounts and one shared email account; our designated customer feedback and survey system that features history of customer feedback, ratings, communications, and purchases; our franchise management system; Square for point-of-sale and payments system; our licensed music system; a product ordering platform; and our designated temperature data monitoring and recording system, including sensors and a tablet, which manages information about device temperatures and maintenance logs. The Technology Fee is \$475 per month as of the date of this Disclosure Document, however, we reserve the right to increase this fee upon notice to you.

You may be required to use other proprietary software that we designate from time to time, which, as of the date of this Disclosure Document, includes an accounting or payroll system such as QuickBooks,

and designated software for third party-delivery services (such as Door Dash, Uber Eats, and Grub Hub). You may be required to sign a license or maintenance agreement, either with us or a vendor, in order to obtain and use any such software.

In addition to the up-front cost of the computer system described above, we estimate the one-time set-up fees for these systems as well as an outsourced managed IT and security firm to cost \$1,300 to \$3,300. We estimate the ongoing cost of maintaining, updating, upgrading, and support contracts for the POS System and computer system to meet the then-current System standards to be approximately \$7,800 to \$18,100 per year. This amount includes the required third-party subscriptions described above, as well as third-party technology support, payroll system, scheduling system, bookkeeping integration software, and security system.

We currently do not require that you purchase a maintenance contract to service the POS System and the computer system, but we reserve the right to do so in the future. The third parties from whom you purchase or lease the POS System and the computer system have no contractual rights or obligations to provide ongoing maintenance, repairs, upgrades or updates unless you obtain a service contract or a warranty covers the product. If we designate a vendor for maintenance, repair, upgrade and update services, you must use our designated vendor for these services. You must also have a high-speed internet connection and Wi-Fi and cellular service, so that we can send you notices to your designated email address and otherwise communicate with you by these methods. You may use any local independent internet service provider (ISP) of your choice as long as the ISP allows you to access the POS System and perform all necessary functions.

There are no limitations on the frequency and cost of your obligation to comply with our requirements related to POS System and computer system. At your expense, you must maintain the POS System and computer system in good working order at all times and upgrade or update the POS System and computer system during the term of the Franchise Agreement as we may require in order to meet our then-current standards and specifications. We reserve the right to change the computer system at any time.

We will have independent, unlimited access to the information and data generated by the POS System and the computer system via the internet or otherwise. There are no contractual limitations on our right to access this information and data.

We or our affiliates may condition any license of proprietary software to you, or your use of technology that we or our affiliates develop or maintain, on your signing a software license agreement or similar document that we or our affiliates prescribe to regulate your use of, and our and your rights and responsibilities concerning, the software or the technology. We or our affiliates may charge you a monthly or other fee for any proprietary software or technology that we or our affiliates license to you and for other maintenance and support services that we or our affiliates provide during the term of your Franchise Agreement.

Training

Our initial training program consists of approximately two to three weeks of training, featuring classroom style and on-the-job live training at one of our Corporate Parlors, at another one of the Parlors, at our corporate headquarters, via electronic media, or some combination of these options, in our discretion. Our initial training program is divided into two phases. Phase 1 of the initial training, which you are required to complete within approximately four to six weeks after signing your Franchise Agreement, currently lasts three days. Your Operating Partner and all of your owners with at least a 20% ownership interest are required to attend Phase 1. We will not charge you a training or registration fee for the participation of up to three people in Phase 1. However, you must pay all travel and living expenses (such

as transportation, lodging, and meals) and compensation for these individuals. These training expenses vary depending on the distance traveled by these individuals and the type of lodging selected.

Phase 2 of the initial training, which typically occurs four to six weeks before your planned opening, lasts approximately nine to ten days. Your Operating Partner and your Parlor Manager (if you have designated one) must successfully complete Phase 2. We will not charge you a training or registration fee for the participation of up to three people to attend Phase 2. As with Phase 1, you must pay all travel and living expenses and compensation for the individuals attending Phase 2.

If you wish to have additional individuals attend initial training, we may charge you a reasonable fee, estimated at \$500 per person per day, for additional training you request and for training personnel above and beyond the first three attendees. You will be responsible for their travel, living, and other expenses and wages while attending all training programs.

We or you will use the Operations Manual, training system, skills training guides, testing and various train the trainer instructional materials as we or you conduct the initial training program. We plan to be flexible to accommodate our personnel, you and your personnel. We do not have set training dates, but will conduct training sessions on an as-needed basis.

Your attendees must complete initial training to our standards and satisfaction, as we determine in our sole discretion, before you may open your Parlor. We may delay the Parlor opening if your required personnel have not been fully trained to our satisfaction. If you, or your Operating Partner, and your manager-level employees cannot complete initial training to our satisfaction, we may terminate the Franchise Agreement.

[Remainder of page intentionally left blank]

INITIAL TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
PHASE 1			
Brand Foundation, Compliance & Business Overview	8 hours		Electronically, St. Louis metropolitan area, or another Parlor we designate
Development, Buildout & Supply Chain	8 hours		Electronically, St. Louis metropolitan area, or another Parlor we designate
Operations, Marketing & Pre-Opening Plan	8 hours		Electronically, St. Louis metropolitan area, or another Parlor we designate
Phase 1 Total	24 hours	0 hours	
PHASE 2			
Welcome to Clementine's	8 hours		Electronically, St. Louis metropolitan area, or another Parlor we designate
Systems, Procedures & Technology	8 hours		Electronically, St. Louis metropolitan area, or another Parlor we designate
Opening Shift Training I & II		16 hours	Electronically, St. Louis metropolitan area, or another Parlor we designate
Closing Shift Training		8 hours	Electronically, St. Louis metropolitan area, or another Parlor we designate
Parlor Operations & Build-Out Review	16 hours		Electronically, St. Louis metropolitan area, or another Parlor we designate
Parlor Tours	8 hours		Electronically, St. Louis metropolitan area, or another Parlor we designate
Applied Operations Review	8 hours		Electronically, St. Louis metropolitan area, or another Parlor we designate
Comprehensive Review & Graduation	4 hours		Electronically, St. Louis metropolitan area, or another Parlor we designate
Phase 2 Total	52 hours	24 hours	
Total (Phase 1 and 2)	76 hours	24 hours	

At approximately the time you open your Parlor, we will provide on-site training. We will not charge you a fee for this on-site training. The on-site training will generally begin a few days prior to your grand opening and carry through to a few days after the opening. This training will focus on getting you comfortable with operating your Parlor. Our trainer will also confirm that the Parlor is ready to open, and you (or your Operating Partner) and Parlor Manager, if you have one, must actively participate in all of this training. If our representative determines, in our sole discretion, that additional training is required before you may open the Parlor, such additional training will be subject to our then-current training fees of \$500 per trainer per day, plus the trainer's expenses, including travel, lodging, meals and other reasonable expenses.

As of the date of this Disclosure Document, the initial training program will be administered by Eddie Cajina, our Director of New Business Development, ICD Operations. Eddie has more than 20 years of experience in the ice cream industry, including both front (retail / customer service) and back of the house experience, and more than 11 years of experience with the CLEMENTINE'S® brand, assisting our founder Tamara Keefe in various ways since the establishment of the brand, including with the development of proprietary recipes. We also may utilize various members of our staff and personnel who have experience operating Parlors and who will have the minimum experience with us we consider necessary to train in the subject matters they will teach, which may be as little as one to three months depending on the instructor.

In addition, as part of your required training prior to opening your Parlor, you (or your Operating Partner) and each of your managers and other employees we designate must be ServSafe® certified or must have completed a similar safety training and certificate program approved by us. You must provide us proof of this certification upon our request.

If at any time your Parlor Manager ceases to be employed by you for any reason or is no longer actively involved in the day-to-day operation of your Parlor on a full-time basis, you must replace such Parlor Manager within 90 days, commence training for the replacement Parlor Manager on the System and have such replacement Parlor Manager come to our corporate headquarters, training facility or such other location as we designate to complete our initial training program to our satisfaction within 30 days after appointment. You are responsible for all related travel and living expenses and wages incurred in connection with your replacement Parlor Manager attending these training sessions, as well as our daily per diem training fee. Until a replacement Parlor Manager who meets our then-current qualifications and training requirements is in place, you or your Operating Partner must immediately assume day-to-day operational management and supervision of your Parlor on a full-time basis.

We also currently require annual refresher training of up to two days per year that you (or your Operating Partner) must attend. These sessions may be held in the St. Louis, Missouri area, electronically, or any other place that we may designate and may last one to two days. We may also require additional members of your team to attend, including your Parlor Manager, and space permitting, we may approve additional members of your team to attend at your option, in our discretion. You are responsible for all related travel, living expense, wages and other out-of-pocket expenses incurred in connection with this refresher training.

If, at any time during your operation of the Parlor, you request that we provide additional training or assistance, or if we determine that you require additional training or assistance you must pay our then-current per diem training fee for each trainee, currently \$500 per person per day, and you must reimburse us for all out of pocket costs and expenses incurred by our trainers associated with the additional training, including travel, lodging, meals and other reasonable expenses. Neither you nor your employees will receive any compensation from us for services performed during training. You will bear all other expenses

incurred in such training, such as the costs of transportation, lodging, meals, wages, and worker's compensation insurance.

We may periodically conduct a conference, convention, program, or additional training session, including, if we establish one, our annual franchise convention for all System franchise owners at a location that we choose and approve, and ongoing refresher training during the term of your Franchise Agreement. We will determine the duration, curriculum, and location of these events. You and your Operating Partner must attend each conference, convention, program, or training session. We may also require all of your Parlor managers, including replacement managers, to complete additional training programs to our satisfaction. These sessions, which may include additional refresher/update training, may be held in the St. Louis, Missouri area, electronically, or any other place that we may designate and, except for the franchise convention, may last one to two days. Lastly, as a condition of renewing your Franchise Agreement, we may require you to undergo further training. We may charge a reasonable fee for these sessions and you must pay all expenses incurred in attending, including the travel, living and other expenses and wages of your employees while attending all training programs. You must also maintain a computer and any other necessary digital device on which you and your employees can perform those training programs that are available digitally.

ITEM 12 **TERRITORY**

Under a Franchise Agreement

The Franchise Agreement grants to you the right to own and operate a Parlor at a specific location approved by us. You may not conduct the business of your Parlor at any site other than the approved premises or relocate your Parlor without our prior written consent. You will not receive an exclusive territory under the Franchise Agreement. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. However, except as noted below, as long as you are in compliance with the Franchise Agreement, we will not operate a Parlor or grant to a third party the right to operate a Parlor within your Territory (other than at Non-Traditional Sites, as defined below).

Your Franchise Agreement may also specify a protected territory (“**Territory**”). The size and scope of the Territory will be contained in the Franchise Agreement and will be determined, in our sole discretion. The criteria used for determining the boundaries of the Territory may include any or all of the following: the population base; density of population; proximity to schools and universities; growth trends of population; apparent degree of affluence of population; proximity of any existing Clementine's Parlors, the density of residential and business entities; parlor co-tenants; traffic generators; driving times; proximity to lodging, educational, entertainment, and tourist-related facilities; and major topographical features which clearly define contiguous areas, like rivers, mountains, major freeways and underdeveloped land areas. Generally, if you are in a metropolitan area, the Territory will encompass approximately 50,000 people and range from a one to three-mile radius around your Parlor (although this may be less in high-density areas or more in low-density areas or smaller cities or towns).

We may also have situations where we designate a “TBD” (to be determined) search area or protected territory. If you receive a TBD territory or area, you have the right to look for a site in any area that has not already been given as a protected territory, development territory, or search area to another CLEMENTINE'S franchisee. However, if you find a proposed site in near proximity to another Parlor, even though not in that Parlor's protected territory, we may offer the site to the existing franchisee before we agree to assign that area to you or grant you the right to develop your Parlor at that site.

If a protected territory is not specified, or if it is “to be determined,” you will not have any territorial protection until you name a location that is approved by us and we assign your Territory. In this case, you may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Under the Expansion Option Agreement

Under the Expansion Option Agreement, if you are in compliance with the Franchise Agreement for your Parlor and the then-current expansion policy requirements, we will not during the Option Period offer or sell the right to open and operate a Clementine’s Parlor in the Expansion Territory to any third party. During the Option Period, you will have the non-exclusive right to market and service clients located in the Expansion Territory in compliance with the terms of the Franchise Agreement for your Parlor. Clementine’s Parlors operated by us, our affiliates, and our franchisees will also have the right to market and service clients in the Expansion Territory during the Option Period.

Restrictions on Your Soliciting or Accepting Orders From Consumers Outside Your Territory

You may solicit customers and advertise your Parlor anywhere you choose. There are no restrictions on you, any of our other franchisees, or us to prevent any soliciting or advertising in someone else’s franchise territory. No party is obligated to pay compensation to any other party for soliciting customers from the other franchisee’s franchise territory. You may provide catering or delivery services outside of your Territory only with our approval, but as of the date of this Disclosure Document, we generally allow you to offer catering and delivery services (i) to homes and businesses located within a reasonable distance of your Parlor, as long as they are not within the protected territory of another franchisee, and (ii) to homes and businesses with which you have an existing relationship as defined by our then-current policies in the Operations Manual. You may utilize third-party delivery services based upon the terms of service and range of delivery that is typical for such provider, or that we may approve from time to time in our discretion. If these services deliver in another franchisee’s protected territory, you will not be required to compensate the other franchisee, and other System franchisees may provide the same third-party services in your Territory without compensating you. You may not ship products within or outside your Territory without our approval. You may also participate in our National Accounts and / or Regional Accounts Program described further below, but if you choose not to do so, we or other franchisees may offer services and products within your Territory in accordance with the terms of that program.

Other than as described in this Disclosure Document, you have no right to sell products through the internet or worldwide web, through smart phone or other digital applications or devices, mail order or catalogs, through telemarketing or other direct marketing or through any other form of distribution channel or method. You have no right to use the Marks in connection with any business other than your Parlor.

Except for any rights granted under a separate Expansion Option Agreement, you have no options, rights of first refusal or similar rights to acquire additional franchises or establish additional Parlors. We have not established any minimum sales quota and do not require any certain level of sales, revenue volume or market penetration in order for you to maintain your Territory. We will not reduce the size of your Territory even if the population in it increases. Likewise, we will not expand the size of your Territory if the population in it decreases. We cannot alter your Territory unless you give us your written consent. Any rights that are not specifically granted to you under the Franchise Agreement are retained by us.

National and Regional Accounts Program

We reserve the right to establish certain customer accounts that have multiple locations across the country or regionally as “National Accounts” or “Regional Accounts,” depending on their overall size and number of locations, for catering, parties, events, or other opportunities to provide products and services to such accounts. If we establish such National Accounts or Regional Accounts, we will offer franchisees in good standing the opportunity to offer products and services to National Accounts and Regional Accounts that are located in their Territory. The terms and payment for these accounts will be as we establish with the National Account or Regional Account customer, and may be less than your standard pricing for similar customers. If we offer you a National Accounts or Regional Accounts opportunity and you choose not to provide products and services to a National Account or Regional Account in your Territory, we reserve the right to do so ourselves or designate another franchisee to do so. If you repeatedly do not agree to service National Accounts or Regional Accounts, we reserve the right not to offer you any additional opportunities to provide products and services to National Accounts or Regional Accounts in your Territory, and reserve the right to provide all such products and services to National Accounts and Regional Accounts established in your Territory, or to designate another franchisee to do so, without compensation to you. Additional requirements of our National and Regional Accounts Program may be included in our Operations Manual.

Our Reserved Rights under the Franchise Agreement

Under the Franchise Agreement, we and our affiliates have reserved (a) the right to establish and operate, and grant to other franchisees or licensees the right to establish and operate, a CLEMENTINE’S ICE CREAM Parlor or any other business using the Marks, the System or any variation of the Marks and the System, (i) in any location outside the Territory; (ii) at or from parlors that we or our affiliates purchase (or as to which we or our affiliates purchase the rights as franchisor) that are part of another franchise system or chain and either continue to operate them independently or convert them to Clementine’s Parlors, regardless of whether such parlor(s) are located within or outside of the Territory; or (iii) at or from any Non-Traditional Site (as defined below), regardless of whether such Non-Traditional Site is located within or outside of the Territory; (b) the right to establish and operate anywhere franchises and/or ice cream parlors or outlets selling products and services of any type (including within your Territory) under names and symbols other than the Marks, even if these franchises or parlors or outlets are near your Parlor and/or offer similar products and services as your Parlor; (c) the right to operate, for ourselves and our affiliates, businesses using the Marks to distribute products or offer services (including through the internet, worldwide web, smart phone or other digital applications, mail order, catalogs, or other forms of distribution channels or methods) that may be the same as, similar to, or different from those found in Parlors, both within and outside your Territory, so long as we do not do so through the operation of a CLEMENTINE’S ICE CREAM Parlor; and (d) the exclusive right to sell products identified with the Marks both within and outside your Territory, through any distribution channel or method (whether at retail or wholesale), including sales through catalogs, e-commerce, smart phone or other digital applications, mail order, kiosks, mass merchandise, supermarkets and club stores, other retailers, and temporary or mobile locations, such as a food truck, except through the operation of a CLEMENTINE’S ICE CREAM Parlor, even if you sell these products at your Parlor. As one example, we have the right to sell Clementine’s parlor food products through a nationwide retail chain even if the chain has facilities located within your Territory. We will not pay you any compensation for soliciting or accepting customers or orders from inside your Territory, or for exercising any of the rights specified above. Regardless of any restriction in this Item 12, we can sell our equity or assets to any third party regardless of whether the third party operates or franchises the operation of businesses in your territory that are similar to your Parlor.

We and our affiliates have not established, and do not currently intend to establish, other franchises or company-owned or affiliate-owned outlets, or another distribution channel selling similar products or services under marks other than the Marks, but we reserve the right to do so in the future without first

obtaining your consent. If we do so, such franchises or company-owned or affiliate-owned outlets, or other distribution channel may sell similar products or services under a different trade name or trademark in close proximity to your Parlor.

Certain sites, locations, or venues have characteristics that make them distinct from locations that could generally be developed into Parlors, such as sites that independently generate customer traffic flow separate from the general customer traffic flow of the surrounding area, or that by their nature are not tied to a particular physical location (“**Non-Traditional Sites**”). Non-Traditional Sites include: military bases; shopping malls (whether open-air or enclosed); large big-box retail outlets; transportation- related venues (e.g., airports, train or bus stations, marinas, travel plazas or toll roads); sports or entertainment venues (e.g., stadiums, arenas, concert halls); major industrial or office complexes, hotels, educational facilities (e.g., school, college, and university campuses); casinos; fitness centers, hospitals and related rehabilitation or healthcare facilities; governmental institutions; amusement or recreational facilities (e.g., theme parks, outdoor municipal parks, zoos, or museums); grocery stores or department stores; mobile-based channels of distribution (e.g., food trucks); and any co-branding locations or business endeavors where a Parlor’s operations are inextricably associated with, or such operations are contained within or sharing the same physical building or operational premises as, another business (such as, for example and without limitation, a gas/convenience store or another parlor concept). Non-Traditional Sites are specifically excluded from your Territory, meaning that we have the right to develop Parlors or license to others the right to develop Parlors at Non-Traditional Sites located within the borders of your Territory. Because we and others may establish and operate Parlors at Non-Traditional Sites in your Territory and because of the reserved rights described above, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control.

ITEM 13 **TRADEMARKS**

Under the Franchise Agreement, we grant you the non-exclusive right to operate your Parlor under the names “CLEMENTINE’S”® and “CLEMENTINE’S ICE CREAM”® and to use the other Marks we authorize you to use. You must use the Marks only for the operation of your Parlor and in the manner authorized by us.

The following tables list the principal Marks that you may use with your franchise and that, through our affiliate, Cone Concept, have been registered on the principal register of the United States Patent and Trademark Office (“USPTO”). We have the right to use the Marks through a perpetual licensing agreement with Cone Concept (the “**License Agreement**”) dated July 1, 2026. Under the License Agreement, we have the indefinite right to use the Marks in connection with our establishment, development, operation, and management of franchised Parlors and of the System. Our license is not exclusive, and Cone Concept may license others to use the Marks. The term of the License Agreement is indefinite unless we fail to perform our obligations under the License Agreement for a period of 30 days or both parties mutually agree to terminate the License Agreement. No other agreement limits our rights to use or allow franchisees to use the Marks.

Mark	Registration No.	Registration Date	Register
CLEMENTINE’S	4868285	December 8, 2015	Principal Register

Mark	Registration No.	Registration Date	Register
CLEMENTINE'S	7021028	December 8, 2015	Principal Register
CLEMENTINE'S ICE CREAM	8213077	April 14, 2026	Principal Register
 (CLEMENTINE'S NAUGHTY AND NICE CREAMERY STL ORIGINAL NATURAL HANDMADE)	5172000	March 28, 2017	Principal Register
CLEMENTINE'S	6961537	January 24, 2023	Principal Register
CLEMENTINE'S NAUGHTY AND NICE CREAMERY	4868284	December 8, 2015	Principal Register
NAUGHTY	6950159	Jan. 10, 2023	Principal Register

Additionally, Cone Concept owns the registration to the following Mark on the Supplemental Register of the USPTO:

Mark	Registration No.	Registration Date	Register
TOFFEE BUTTER BRICKLE	7264427	January 02, 2024	Supplemental Register

If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses. Trademarks registered on the Supplemental Register do not have as many legal benefits and rights as those registered on the Principal Register.

All required affidavits for the principal Marks have been filed. There are no currently effective determinations of the USPTO, Trademark Trial and Appeal Board, the Trademark Administrator of any state, or any court; nor is there any pending infringement, opposition or cancellation proceedings, or material litigation, involving the Mark listed above. We do not know of any superior rights or infringing uses that could materially affect your use of the Marks.

You must follow the Franchise Agreement, the Operations Manual and our specifications and directives when you use the Marks. The Marks are the only marks you may use to identify the Parlor. You

may not use any Marks as part of any corporate or trade name or as part of any domain name or electronic address you maintain on the internet, the worldwide web, or any other similar proprietary or common carrier electronic delivery system unless we expressly authorize you to do so in writing. You may not use the Marks in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us. Your use of the Marks and any goodwill is to our exclusive benefit and you retain no rights in the Marks other than a license to use the Marks during the term of the Franchise Agreement. You are not permitted to make any changes of any kind in or to the use of the Marks unless we permit.

You must notify us immediately when you learn about an infringement of or challenge to your use of a Mark. We will take the action we think appropriate. We have the right to exclusively control any litigation, USPTO proceeding, or other proceeding arising out of any infringement, challenge or claim or otherwise relating to any Mark.

You must not directly or indirectly contest our right to the Marks, trade secrets or business techniques that are part of our business. You must promptly notify us of any unauthorized use of the Marks, any challenge to the validity of the Marks, or any challenge to our ownership of, right to use and to license others to use, or your right to use, the Marks. We have the right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks. We will defend you against any third-party claim, suit, or demand arising out of your use of the Marks, and bear the cost of any judgment or settlement, if we determine that you have used the Marks in accordance with the Franchise Agreement. However, if we determine that you have not used the Marks in accordance with the Franchise Agreement, you must bear the cost of defense, including the cost of any judgment or settlement. If there is any litigation relating to your use of the Marks, you must sign all documents and do all things as may be necessary to carry out a defense or prosecution, including becoming a nominal party to any legal action. Unless litigation results from your use of the Marks in a manner inconsistent with the terms of the Franchise Agreement we will also reimburse you for your out-of-pocket costs.

You must modify or discontinue the use of a Mark and you must adopt or use additional or substituted marks, if we instruct you to do so. If this happens, you are responsible for your tangible costs of compliance (e.g., changing signs and uniforms) and we do not have to reimburse you for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute Mark. You waive any claim against us for changing, modifying or discontinuing a Mark. We may also develop or acquire additional Marks and make them available for your use or require you to use them.

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents

We have no patents or pending patents that are material to the operation of your Parlor.

Copyrights

We claim copyright protection covering various materials used in our business and the development and operation of Parlors, including the Operations Manual, advertising and promotional materials, menus, designs, informational brochures and flyers, and similar materials. Our affiliate, Cone Concepts, has filed an application to register CLEMENTINE'S proprietary wallpaper with the United States Copyright Office, Serial Number 1-15099157831, titled "Wallpaper Design #1." Other than the wallpaper, we have not registered these materials with the United States Copyright Office.

There are no currently effective determinations of the United States Copyright Office or any court, nor any pending litigation or other proceedings, regarding any copyrighted materials. No agreement limits our rights to use or allow franchisees to use the copyrighted materials. We do not know of any superior prior rights or infringing uses that could materially affect your use of the copyrighted materials. No agreement requires us to protect or defend our copyrights or to indemnify you for any expenses or damages you incur in any judicial or administrative proceedings involving the copyrighted materials. If we require, you must immediately modify or discontinue using the copyrighted materials. Neither we nor our affiliates will have any obligation to reimburse you for any expenditures you make because of any such discontinuance or modification.

We may claim copyright protection in certain techniques we create, and may patent certain processes and equipment we develop. If we do, we will notify you and, if the copyrights and patents are material to your obligations under the Franchise Agreement, we will authorize you to use them at no additional charge. Any modifications or improvements that you make to the System, including ideas, concepts, methods or techniques, will be deemed works made for hire which shall be owned exclusively by us. We do not have to compensate you for your modifications or improvements. You must sign whatever documents we request to evidence our ownership or to assist us in securing intellectual property rights in such ideas, concepts, methods or techniques. All rights, title, and interest in advertising and promotional materials that you develop or prepare (or that are prepared by someone on your behalf) or that bear any Marks will belong to us. You must sign any documents we reasonably deem necessary to evidence our right, title, and interest in and to any advertising and promotional materials. We will have the right to use these materials and to provide them to other franchisees and advertising programs of the System, without compensation to you, regardless of how the materials were developed. Additionally, we may periodically require that you sign a license agreement for the use of proprietary materials that we provide to you.

Confidential Information

Except for the purpose of operating your Parlor under a Franchise Agreement, you may not communicate, disclose, or use for any person's benefit any of the confidential information, knowledge, or know-how concerning the development and operation of a Parlor that may be communicated to you or that you may learn by virtue of your operation of your Parlor. Our Operations Manual is confidential information. If any confidential information, knowledge, or know-how constitutes a trade secret under applicable law, these restrictions will continue if and for so long as the confidential information, knowledge, or know-how is considered a trade secret. You may divulge confidential information only to those of your employees who must have access to it to operate your Parlor. Any information, knowledge, know-how, and techniques that we designate as confidential will be deemed "confidential" for purposes of the Franchise Agreement. However, this will not include information that you can show came to your attention before we disclosed it to you; or that at any time became a part of the public domain through publication or communication by others having the right to do so.

You must implement all reasonable procedures we prescribe from time to time to prevent unauthorized use or disclosure of confidential information. In addition, we may require you, your Operating Partner, and other owners, to sign confidentiality and non-solicitation agreements and where allowed by state law also non-competition agreements, in the form(s) approved by us which will prohibit them from directly or indirectly engaging in activities that compete with the operations of your Parlor or any other Parlor, and disclosing our or our affiliates' confidential and proprietary information and trade secrets. We may also require certain key employees who have received our confidential and proprietary information to enter into a confidentiality agreement. At our request, you must deliver copies of such agreements to us. These agreements must include specific identification of us as a third-party beneficiary with the independent right to enforce the covenants. We have the right to take legal action against you if there has

been an unauthorized use of our confidential information or trade secrets through you or your employees or others.

You must promptly notify us of any unauthorized use of our copyrighted materials or any unauthorized use or disclosure of confidential information, including by your employees. You must notify us of any challenge to your right to use or the ownership of any copyrighted materials or confidential information. We are not required to protect or defend our copyrights or confidential information although we intend to do so when it is in the best interests of the System. We have the exclusive right to control any copyright litigation. We have the right to keep all sums obtained in settlement or as a damages award in any proceeding or litigation without any obligation to share any portion of the settlement sums or damages award with you. While we are not required to participate in your defense or to indemnify you for damages or expenses you incur if you are a party to any administrative or judicial proceeding involving our confidential information or other information in which we claim common law rights and copyright protection, we may reimburse you for your liability and reasonable costs in connection with defending our confidential information and other information in which we claim common law rights and copyright protection.

We will have the right at any time, on notice to you, to make additions to, deletions from, and changes in any item in which we claim common law copyright or registered copyright protection including the Operations Manual. You must adopt and use all additions, deletions, and changes as we direct, at your expense. At the end of the term of the Franchise Agreement, you must also deliver to us all of our confidential information and the Operations Manual in your possession.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Unless a separate Parlor Manager that meets our qualifications assumes day-to-day supervision of your Parlor, you (or your Operating Partner if you are an entity) must devote full-time and best efforts to the supervision of your Parlor and may not engage in other businesses or activities. If your Operating Partner ceases to own at least a 10% ownership interest and voting interest in you, or fails to meet our requirements, you must designate a new Operating Partner within 90 days.

If you or your Operating Partner elects not to supervise the day-to-day operations of your Parlor, you must designate a **“Parlor Manager”** who meets our then-current qualifications and training requirements to supervise the operation of your Parlor at least 60 days before the opening of your Parlor. Your Parlor Manager must devote full-time and best efforts to the supervision of your Parlor. Each Parlor must have a different Parlor Manager. You acknowledge that the appointment of a Parlor Manager will not relieve your Operating Partner of his or her supervisory responsibilities for the operation of your Parlor. Your Operating Partner will remain fully responsible for your Parlor Manager’s performance. If you are a business entity, your Parlor Manager need not own any equity interest in you. Your Operating Partner, and any Parlor Manager, must complete our initial training requirements and all other training we reasonably designate. We also require that your Operating Partner attend our annual conference and refresher training each year, even if that person is not personally supervising your Parlor on a day-to-day basis.

We may require Parlor Managers not already personally bound by the Franchise Agreement to sign a confidentiality and/or nondisclosure agreement in the form(s) prescribed by us (a **“Nondisclosure Agreement”**). This Nondisclosure Agreement will prohibit them from directly or indirectly disclosing our confidential and proprietary information and trade secrets. We also may require those employees who have received our confidential and proprietary information to enter into the same Nondisclosure Agreement.

If a Parlor Manager ceases to be employed by you for any reason, you must replace such Parlor Manager within 90 days, commence training such replacement Parlor Manager on the System and have such replacement Parlor Manager come to our corporate headquarters, training facility or such other location as we designate for additional training and for certification by us, to be granted or withheld in our reasonable discretion. You are responsible for all related travel and living expenses and wages incurred in connection with your replacement Parlor Manager attending these training sessions, as well as our daily per diem training fee. Until a replacement Parlor Manager that we have approved is in place, you or your Operating Partner must immediately assume day-to-day operational management and supervision of your Parlor on a full-time basis.

We may require each of your owners and their spouses to personally guarantee, on a joint and several basis, your obligations to us under the Franchise Agreement. The guarantees will be in the form of the Guaranty, Indemnification, and Acknowledgement attached as Exhibit C to the Franchise Agreement and the Guaranty attached as Exhibit A.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must conduct the business operated at your Parlor as required by the Operations Manual and the Franchise Agreement. You are prohibited from offering for sale, selling, or distributing any other products or services apart from those we specify from time to time. Further, you must offer all goods and services that we designate as required for all franchisees. These required goods and services include menu items which meet our standards and specifications. We have the right to add additional authorized goods and services that you must offer. There are no limits on our right to make modifications to our approved menu, whether by a change in the Operations Manual or through an amendment to the Franchise Agreement or by another form of written directive.

The products and services that we require you to provide include our menu of ice cream and other food items sold for purchase and consumption at the premises or on a “to-go” basis; gift cards; apparel, accessories, and branded items; catering and delivery services; and other goods and services that we specify from time to time. You must provide all goods and services in accordance with System standards. We will not restrict you from soliciting any customers, no matter who they are or where they are located. However, you may only sell products to consumers for consumer purposes (and not for resale). You may not sell products at wholesale. You may provide catering or delivery services outside of your Territory only with our approval, but as of the date of this Disclosure Document, we generally allow you to offer catering and delivery services (i) to homes and businesses located within a reasonable distance of your Parlor, as long as they are not within the protected territory of another franchisee, and (ii) to homes and businesses with which you have an existing relationship as defined by our then-current policies in the Operations Manual. You may utilize third-party delivery services based upon the terms of service and range of delivery that is typical for such provider, or that we may approve from time to time in our discretion. If these services deliver in another franchisee’s protected territory, you will not be required to compensate the other franchisee, and other System franchisees may provide the same third-party services in your Territory without compensating you. You may not ship products within or outside your Territory. You may also participate in our National Accounts and / or Regional Accounts Program described further in Item 12, but if you choose not to do so or are not in good standing, we or other franchisees may offer products and services within your Territory in accordance with the terms of that program.

[Remainder of page intentionally left blank]

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION OF
THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise or Other Agreement	Summary
a. Length of the franchise term	Section 2.01 – Franchise Agreement Section 2 of Expansion Option Agreement	The franchise has an initial 10-year term. The Option Period is one year from your Parlor’s opening.
b. Renewal or extension of the term	Section 15.01 and Exhibit H – Franchise Agreement Expansion Option Agreement – Not Applicable	If you meet the requirements, you can renew for two additional consecutive 5-year terms. You cannot renew the Expansion Option Agreement
c. Requirements for franchisee to renew or extend	Sections 15.01, 15.02 and 15.03 – Franchise Agreement Expansion Option Agreement– Not Applicable	You must: provide written notice of election to renew; not be in default of the Franchise Agreement or any other agreement relating to the Parlor; sign the then-current form of Franchise Agreement; pay a renewal fee; refurbish the Parlor; complete any required retraining program; meet or exceed our then-current sales and/or profitability standards; sign a general release; and maintain ownership or leasehold interest in the Parlor location or secure a suitable alternative. Terms of the then-current form of Franchise Agreement may differ materially from any and all of those contained in the Franchise Agreement attached to this Disclosure Document. You do not have the right to renew or extend the Expansion Option Agreement.
d. Termination by franchisee	Section 14.01	You can terminate only if we fail to cure a default under the Franchise Agreement within 90 days (or 150 days in some instances) after you give us written notice of termination.

Provision	Section in Franchise or Other Agreement	Summary
	Expansion Option Agreement – Not Applicable	You may terminate the Expansion Option Agreement under any grounds permitted by law.
e. Termination by franchisor without cause	Franchise Agreement, and Expansion Option Agreement – Not Applicable	Not Applicable
f. Termination by franchisor with “cause”	Sections 14.02 and 14.03 – Franchise Agreement and Sections 8 and 10 of Expansion Option Agreement	Subject to applicable law, we can terminate the Franchise Agreement if you default or if certain events (described in (g) and (h) below) occur. In some instances, you will have an opportunity to cure the default. The Franchise Agreement contains cross-default provisions. You may not exercise your expansion option if-when you seek to exercise it – you do not satisfy the then-current expansion policy requirements or are not in compliance with your Franchise Agreement and other agreements with us and our affiliates. Any attempted assignment of the Expansion Option Agreement (which is not assignable) will cause the automatic and immediate termination of that Agreement.
g. “Cause” defined – curable defaults	Section 14.03 and Exhibit H – Franchise Agreement	Failure to comply with our standards and procedures or any term of the Franchise Agreement not covered in (h) below, including: failure to submit required reports; failure to attend training programs; failure to maintain required insurance; failure to complete initial training program; failure to open Parlor within 12 months; failure to pay us or any creditor, supplier or lessor of the Parlor any sums due after written notification;. Depending on the default, you have 15 or 30 days (or longer in some instances) after we give you written notice to cure the default, except that if the failure to comply is the 2nd or more failure to comply with any provision of any agreement that you or any of your affiliates have with us or an affiliate of ours within 12 consecutive months, or the 3rd or more failure to comply with the same provision of any agreement that you have with

Provision	Section in Franchise or Other Agreement	Summary
		us or an affiliate during the term, then we need not provide any opportunity to cure.
h. “Cause” defined – non-curable defaults	Section 14.02 and Exhibit H – Franchise Agreement	Insolvency; bankruptcy; liquidation; reorganization; general assignment for benefit of creditors; abandonment of Parlor; conviction of a felony or crime involving moral turpitude; operation of the Parlor as a safety hazard; making of material misrepresentations or knowingly maintaining false books or records; unauthorized transfer; failure to comply with non-competition, non-solicitation and confidentiality provisions; unauthorized use of any Mark; failure to comply with any applicable law; unauthorized seizures; underreporting of Net Sales; making the same default more than two times during term of Franchise Agreement; making a default twice within a 12-month period; or any other default not susceptible to cure.
i. Franchisee’s obligations on termination/non-renewal	Sections 7 and 16 – Franchise Agreement	Obligations include complete de-identification of Parlor; payment of amounts due; payment of liquidated damages; return confidential materials; cancel assumed name registration; transfer telephone and fax numbers and internet listings; no investment in Competitive Business; follow any procedures in the Operations Manual related to discontinuing operations of the Parlor; and offer us the right to purchase the Parlor.
j. Assignment of contract by franchisor	Section 13.07 – Franchise Agreement and Section 10 of Expansion Option Agreement	No restriction on our right to assign.

Provision	Section in Franchise or Other Agreement	Summary
k. “Transfer” by franchisee – defined	Section 1.04 – Franchise Agreement Section 10 of Expansion Option Agreement	Includes direct and indirect transfer of agreement, any interest in agreement, any assets of Parlor, the Parlor premises, or any equity interest in you if you are an entity or any equity interest in any owners of you if they are an entity. You do not have the right to assign the Expansion Option Agreement and your expansion rights under any circumstances.
l. Franchisor approval of transfer by franchisee	Section 13.01 – Franchise Agreement Section 10 of Expansion Option Agreement	We have the right to approve all transfers but will not unreasonably withhold approval. You do not have the right to assign the Expansion Option Agreement and your expansion rights under any circumstances.
m. Conditions for franchisor approval of transfer	Section 13.02 and Exhibit H – Franchise Agreement	Transferee qualifies; transferee assuming obligations under Franchise Agreement and/or entering into new franchise agreement and any other agreements we require; terms and conditions of transfer are satisfactory to us; you are not in default under the Franchise Agreement, or any other agreement between you and us; transferee completes training; upgrade Parlor if required; signing of a general release; fee paid; and we decline to exercise our right of first refusal.
n. Franchisor’s right of first refusal to acquire franchisee’s business	Section 13.05 – Franchise Agreement Expansion Option Agreement – Not Applicable	We can match any offer for the transfer of your business or any ownership interest.
o. Franchisor’s option to purchase franchisee’s business	Section 16.03 – Franchise Agreement Expansion Option Agreement – Not Applicable	Upon expiration or termination of the Franchise Agreement, you must offer us the right to purchase the Parlor.

Provision	Section in Franchise or Other Agreement	Summary
p. Death or disability of franchisee	Section 13.04 – Franchise Agreement	Franchise must be assigned by estate to an approved buyer.
q. Non-competition covenants during the term of the franchise	Section 7.01(a) – Franchise Agreement	No direct or indirect involvement in any Competitive Business. For this item (q) and (r) below, a “Competitive Business” includes any business operating or granting franchises or licenses others to operate any business for which ice cream, ice-cream-based desserts or drinks, and/or other frozen desserts or drinks, or similar items represents more than 20% of the total gross revenue or offerings (subject to state law).
r. Non-competition covenants after the franchise is terminated or expires	Section 7.01(b) – Franchise Agreement	For two years, no involvement in Competitive Business located or operating (i) at the premises of your Parlor or within a 10-mile radius of the premises of your Parlor, or (ii) within a 10-mile radius of any other Parlor (subject to state law).
s. Modification of the agreement	Sections 4.07 and 19.13 – Franchise Agreement, and Section 12 of Expansion Option Agreement	Generally, no modifications unless agreed in writing. We may revise the Operations Manual and you must comply with each requirement.
t. Integration/merger clause	Sections 19.13 and 19.18 – Franchise Agreement	Only the terms of the agreement are binding (subject to state law). Any representations or promises outside of the Disclosure Document and agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Sections 18.01, 18.02 and 18.03 – Franchise Agreement	Except for certain claims, all disputes must be mediated, and if not settled by mediation, are then subject to arbitration.
v. Choice of forum	Sections 18.02, 18.03 and 18.04 – Franchise Agreement	Litigation must be held in the federal or state court for the district where our principal executive office is located (subject to state law), which as of the date of this Disclosure Document is St. Louis, Missouri. Mediation must occur in St. Louis, Missouri (or in the city of our principal executive office, if different). Arbitration must occur within 20 miles of our principal executive office.

Provision	Section in Franchise or Other Agreement	Summary
w. Choice of law	Section 19.04 – Franchise Agreement	Missouri law applies generally, except for federal law and applicable franchise laws of other states.

Applicable state law may require additional disclosures related to the information in this Disclosure Document. These additional disclosures appear in Exhibit H to this Disclosure Document.

ITEM 18 **PUBLIC FIGURES**

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

ITEM 19 **FINANCIAL PERFORMANCE REPRESENTATIONS**

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

The following is a historical financial performance representation based on the actual performance of seven (7) of our Corporate Parlors for the 2025 fiscal year ended December 31, 2025. As of December 31, 2025, we had eight (8) Corporate Parlors operated by our affiliates that were open and operating for the entirety of our fiscal year ended December 31, 2025, and no franchised locations. In the tables below, we have excluded the performance of one (1) Corporate Parlor, as it operates as a walk-up location with significantly less square footage and a different model of operations than the Parlor you will operate as a franchised location. We have not excluded any other Parlors that were open and operating for at least twelve (12) months as of the end of the fiscal year ending December 31, 2025.

STATEMENT OF PROFIT AND LOSS OF CORPORATE PARLORS IN CALENDAR YEAR 2025

The following is a profit and loss statement that presents the average performance of our Corporate Parlors that were open and operating during all of calendar year 2025. The information is based on the revenue and expense reports of our Corporate Parlors, which are not audited. The Parlors reported offer substantially the same products and services to the public as you will offer as a franchisee operating a franchised Parlor.

[Remainder of page intentionally left blank]

	Average Corporate Parlors ⁽¹⁾	Median Corporate Parlors ⁽²⁾	Lowest Performing Parlor ⁽³⁾	Highest Performing Parlor ⁽⁴⁾
Net Sales⁽⁵⁾	\$845,139	\$766,630	\$682,890	\$1,124,840
Cost of Goods Sold ⁽⁶⁾	\$265,855	\$252,036	\$211,087	\$356,237
Gross Margin	\$579,284	\$514,594	\$471,803	\$768,603
Expenses				
Advertising & Marketing ⁽⁷⁾	\$15,598	\$14,423	\$11,829	\$18,167
Insurance	\$9,127	\$8,316	\$7,270	\$13,871
Merchant Fees	\$29,094	\$30,086	\$25,038	\$38,463
Occupancy	\$69,640	\$101,851	\$61,213	\$67,637
Other SG&A ⁽⁸⁾	\$14,685	\$18,134	\$10,709	\$14,066
Payroll Expenses	\$124,349	\$122,019	\$107,218	\$112,588
Repairs & Maintenance	\$4,244	\$6,014	\$5,174	\$5,150
Supplies	\$20,673	\$18,242	\$15,655	\$24,745
Royalties ⁽⁹⁾	\$42,257	\$38,331	\$34,145	\$56,242
Brand Fund Contribution ⁽⁹⁾	\$16,903	\$15,333	\$13,658	\$22,497
Technology Fee ⁽⁹⁾	\$5,700	\$5,700	\$5,700	\$5,700
Total Expenses	\$352,271	\$378,449	\$297,607	\$379,124
EBITDA⁽¹⁰⁾	\$227,013	\$136,146	\$174,196	\$389,478
Cost of Goods Sold ⁽⁶⁾	31.5%	32.9%	30.9%	31.7%
Gross Margin	68.5%	67.1%	69.1%	68.3%
Expenses				
Advertising & Marketing ⁽⁷⁾	1.8%	1.9%	1.7%	1.6%
Insurance	1.1%	1.1%	1.1%	1.2%
Merchant Fees	3.4%	3.9%	3.7%	3.4%
Occupancy	8.2%	13.3%	9.0%	6.0%
Other SG&A ⁽⁸⁾	1.7%	2.4%	1.6%	1.3%
Payroll Expenses	14.7%	15.9%	15.7%	10.0%
Repairs & Maintenance	0.5%	0.8%	0.8%	0.5%
Supplies	2.4%	2.4%	2.3%	2.2%
Royalties ⁽⁹⁾	5.0%	5.0%	5.0%	5.0%

Brand Fund Contributions ⁽⁹⁾	2.0%	2.0%	2.0%	2.0%
Technology Fee ⁽⁹⁾	0.7%	0.7%	0.8%	0.5%
Total Expenses	41.7%	49.4%	43.6%	33.7%
EBITDA⁽¹⁰⁾	26.9%	17.8%	25.5%	34.6%

- (1) This column reflects the aggregate number for all Parlors within the stated category divided by the number of Parlors in the stated category.
- (2) This column reflects the median number for all Parlors within the stated category during the relevant period.
- (3) This column reflects the performance of our corporate-owned Parlor with the lowest Net Sales during the relevant period.
- (4) This column reflects the performance of our corporate-owned Parlor with the highest Net Sales during the relevant period.
- (5) Net Sales means all revenue generated from operating the Parlor, less taxes and limited deductions for certain customer refunds and discounts up to 3% of Net Sales. This is the same definition of Net Sales that we use elsewhere in this Disclosure Document and in the Franchise Agreement.
- (6) Cost of Goods Sold includes the landed cost of ice cream and spoilage allowance. The landed cost of ice cream (and various other supplies) will vary based on location of the parlor. The Corporate Parlors whose financial performance is reflected in the table are all located in the St. Louis, Missouri metropolitan area, near ICD Operations' production facility.
- (7) This category includes expenses that constitute local advertising expenditures and other local marketing activities specific to each Parlor.
- (8) Other SG&A includes expenses such as bank fees, charitable contributions, cleaning costs, dues and subscriptions, licensing and permit fees, property taxes, security, software and other miscellaneous business expenses.
- (9) As we did not establish our franchising program until July 2026, our Corporate Parlors did not pay Royalty Fees or make Brand Fund Contributions in the fiscal year 2025. These numbers reflect the Royalty Fees (5% of Net Sales) and Brand Fund Contributions (2% of Net Sales) these Parlors would have paid under the fee structure in place as of the date of this Disclosure Document. They also include the Technology Fee that franchised Parlors are required to pay.
- (10) This statement presents EBITDA (earnings before interest, taxes, depreciation and amortization). EBITDA is a non-GAAP measure and differs from net income because it excludes interest expense, income taxes, depreciation, and amortization.

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

Written substantiation for the financial performance representation will be made available to prospective franchisees upon reasonable request. Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets, or outlets owned by our affiliates. 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 Tamara Keefe, ICD Franchising, LLC, 8014 N. Broadway, St. Louis, MO 63147-2417, (314) 858-6100, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Years 2023, 2024 and 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised ¹	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Company-Owned or Affiliate-Owned Outlets	2023	6	8	+2
	2024	8	8	0
	2025	8	10	+2
Total Outlets	2023	6	8	+2
	2024	8	8	0
	2025	8	10	+2

¹ We are a new franchise system and did not have any franchised outlets open in 2023, 2024, or 2025.

Table No. 2
Transfers of Outlets from Franchisees to New Owners (Other Than Franchisor)
For Years 2023, 2024 and 2025

State	Year	Number of Transfers
All States	2023	0
	2024	0
	2025	0
Total¹	2023	0
	2024	0
	2025	0

¹ We are a new franchise system and did not have any franchised outlets open in 2023, 2024, or 2025.

Table No. 3
Status of Franchised Outlets
For Years 2023, 2024 and 2025

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
All States	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Total ¹	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0

¹ We are a new franchise system and did not have any franchised outlets open in 2023, 2024, or 2025.

Table No. 4
Status of Company-Owned and Affiliate-Owned Outlets
For Years 2023, 2024 and 2025

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Kansas	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	1	0	0	0	1
Illinois	2023	0	1	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Missouri	2023	6	1	0	0	0	7
	2024	7	0	0	0	0	7
	2025	7	1	0	0	0	8
Total	2023	6	2	0	0	0	8
	2024	8	0	0	0	0	8
	2025	8	2	0	0	0	10

[Remainder of page intentionally left blank.]

Table No. 5
Projected Sales and Openings as of
December 31, 2025

State	Franchise Agreements Signed, Not Yet Open	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Arkansas	0	1	1
Kansas	0	1	1
Missouri	0	1	2
Totals	0	3	4

All numbers are as of December 31st for each year.

We are a new franchise system. As of the date of this Disclosure Document, we do not have any current or former franchisees. Accordingly, there are currently no franchisees who have had an outlet terminated, canceled, not renewed, or who otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year, or who have not communicated with us within 10 weeks of the date of this Disclosure Document. When we have franchisees, a list of the names of all franchisees and the addresses and phone numbers of their franchises will be reflected in Exhibit F. 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, no franchisees signed confidentiality clauses with us.

We have not created, sponsored or endorsed any trademark-specific franchisee organization associated with the CLEMENTINE'S franchise system. Likewise, we are not aware of any independent trademark specific franchisee organization, nor has any such organization asked to be included in this Disclosure Document.

We have established our Founder's Circle consisting of up to the first ten (10) franchisee entities that purchase one or more franchises in the System to serve in an advisory capacity with respect to certain aspects of the Clementine's System. The Founder's Circle has no voting rights, approval rights, or authority to bind us, control system decisions, or participate in the management or operation of the Clementine's System.

ITEM 21

FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit E are our audited financial statements as of December 31, 2025. We have only been in existence since January 31, 2025. Therefore, we do not yet have any financial statements for any other periods or years. We are also attaching our interim balance sheet as of May 31, 2026. THE INTERIM BALANCE SHEET IS PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS OR HER OPINION WITH REGARD TO THE CONTENT OR FORM. Our fiscal year end is December 31.

ITEM 22
CONTRACTS

The Franchise Agreement is attached as Exhibit B to this Disclosure Document. The following additional contracts or agreements are attached to the Franchise Agreement:

Exhibit	Franchise Agreement
A	Data Sheet
B	List of Owners and Operating Partner
C	Guaranty, Indemnification and Acknowledgment
D	Electronic Funds Withdrawal and Credit Card Authorization
E	Personal Covenants
F	Telephone Number Assignment Agreement and Power of Attorney
G	Lease Rider
H	State Addenda

The Expansion Option Agreement is attached as Exhibit C to this Disclosure Document. The following additional contracts or agreements are attached to the Expansion Option Agreement:

Schedule	Expansion Option Agreement
A	Expansion Territory

Also attached to this Disclosure Document are the following agreements:

- Exhibit G is the Form of Release Agreement; and
- Exhibit I is the Franchisee Disclosure Questionnaire [Not applicable in CA, HI, IL, IN, MD, MI, MN, NY, ND, RI, SD, VA, WA and WI].

ITEM 23
RECEIPTS

Exhibit J to this Disclosure Document includes detachable Receipts acknowledging your receipt of this Disclosure Document. Please return one Receipt to us and retain the other for your records.

EXHIBIT A

STATE AGENCIES AND ADMINISTRATORS AND FRANCHISOR'S AGENTS FOR SERVICE OF PROCESS

- I. State Administrators:** We believe this information is accurate as of the date of this Disclosure Document. However, the names, addresses and/or telephone numbers of these state administrators change over time. You should verify this information.

CALIFORNIA

Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7500 or (866) 275-2677

FLORIDA

Florida Department of Agriculture and Consumer Services
Division of Consumer Services
Plaza Level 10, The Capitol
400 South Monroe Street
Tallahassee, Florida 32399
(850) 410-3800

HAWAII

Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2744

ILLINOIS

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

INDIANA

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

MARYLAND

Office of Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2020
(410) 576-6360

MICHIGAN

Michigan Department of Attorney General
Consumer Protection Division
Franchise Section
G. Mennen Williams Building
525 West Ottawa Street
Lansing, Michigan 48909
(517) 335-7622

MINNESOTA

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

NEBRASKA

Department of Banking and Finance
1526 "K" Street, Suite 300
P.O. Box 95006
Lincoln, Nebraska 68508-2732
(402) 471-3445

NEW YORK

New York State Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Fl.
New York, New York 10005
(212) 416-8222

NORTH CAROLINA

Department of the Secretary of State
Business Opportunities
2 South Salisbury Street
Raleigh, North Carolina 27601-2903
P.O. Box 29622
Raleigh, North Carolina 27626-0622
(919) 814-5400

RHODE ISLAND

Department of Business Regulation
Division of Securities
1511 Pontiac Avenue
John O. Pastore Complex – Building 69-1
Cranston, Rhode Island 02920
(401) 462-9527

SOUTH DAKOTA

Department of Labor and Regulation
Division of Securities
124 S. Euclid, 2nd Floor
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051

WISCONSIN

Department of Financial Institutions
Division of Securities
201 W. Washington Avenue, Suite 300
Madison, Wisconsin 53703
(608) 266-1064

NORTH DAKOTA

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

SOUTH CAROLINA

SC Secretary of State's Office
Attn: Business Opportunities
1205 Pendleton Street, Suite 525
Columbia, South Carolina 29201
(803) 734-0367

TEXAS

Secretary of State
Statutory Documents Section
1019 Brazos
Austin, Texas 78711
(512) 475-1769

WASHINGTON

Securities Administrator
Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501
(360) 902-8700

II. Agents for Service of Process:

CALIFORNIA

California Commissioner of Department of
Financial Protection and Innovation
Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344

ILLINOIS

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

MARYLAND

Office of Attorney General
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020

MINNESOTA

Minnesota Commissioner of Commerce
Department of Commerce
Securities Division
85 7th Place East, Suite 280
St. Paul, Minnesota 55101

NORTH CAROLINA

Secretary of State
State of North Carolina
2 South Salisbury Street
Raleigh, North Carolina 27601-2903

RHODE ISLAND

Director of Department of Business Regulation
1511 Pontiac Avenue
John O. Pastore Complex – Building 69-1
Cranston, Rhode Island 02920

VIRGINIA

Clerk of the State Corporation Commission
1300 East Main Street, First Floor
Richmond, Virginia 23219

HAWAII

Hawaii Commissioner of Securities
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 205
Honolulu, Hawaii 96813

INDIANA

Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204

MICHIGAN

Michigan Department of Commerce
Corporations, Securities & Commercial Licensing
Bureau
2407 North Grand River Avenue
Lansing, Michigan 48906

NEW YORK

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

NORTH DAKOTA

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

SOUTH DAKOTA

Director of South Dakota Division Securities
Department of Labor and Regulation
124 S. Euclid, 2nd Floor
Pierre, South Dakota 57501

WISCONSIN

Administrator, Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705

WASHINGTON

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

EXHIBIT B
FRANCHISE AGREEMENT
(see attached)

**ICD FRANCHISING, LLC
CLEMENTINE'S ICE CREAM
FRANCHISE AGREEMENT**

FRANCHISEE

PARLOR LOCATION

DATE OF AGREEMENT

**ICD FRANCHISING, LLC
CLEMENTINE'S ICE CREAM
FRANCHISE AGREEMENT**

1.	<u>INTRODUCTION</u>	1
1.01	<u>CLEMENTINE'S ICE CREAM</u>	1
1.02	<u>ACKNOWLEDGMENTS</u>	2
1.03	<u>REPRESENTATIONS</u>	2
1.04	<u>CERTAIN DEFINITIONS</u>	2
2.	<u>GRANT OF RIGHTS</u>	4
2.01	<u>GRANT OF FRANCHISE</u>	4
2.02	<u>PROTECTED TERRITORY</u>	5
2.03	<u>RESERVATION OF RIGHTS</u>	5
3.	<u>DEVELOPMENT OF THE PARLOR</u>	6
3.01	<u>SITE SELECTION</u>	6
3.02	<u>PREMISES</u>	6
3.03	<u>OPENING</u>	6
3.04	<u>CONSTRUCTION</u>	6
3.05	<u>CATERING AND DELIVERY SERVICES</u>	8
3.06	<u>FRANCHISOR'S PLANS</u>	8
4.	<u>TRAINING AND GUIDANCE</u>	8
4.01	<u>FRANCHISOR TRAINING PROGRAMS</u>	8
4.02	<u>FRANCHISEE TRAINING PROGRAMS</u>	9
4.03	<u>ADDITIONAL TRAINING</u>	9
4.04	<u>ANNUAL REFRESHER TRAINING</u>	9
4.05	<u>CONFERENCES</u>	10
4.06	<u>ADVISORY SERVICES</u>	10
4.07	<u>OPERATIONS MANUAL</u>	10
4.08	<u>NATURE OF ASSISTANCE AND TRAINING</u>	10
4.09	<u>INSPECTIONS</u>	10
5.	<u>TRADEMARKS; MODIFICATIONS</u>	11
5.01	<u>OWNERSHIP OF THE MARKS</u>	11
5.02	<u>USE OF THE MARKS</u>	11
5.03	<u>DISCONTINUANCE OF USE OF MARKS</u>	11
5.04	<u>NOTIFICATION OF INFRINGEMENTS AND CLAIMS</u>	11
5.05	<u>INDEMNIFICATION OF FRANCHISEE</u>	11
5.06	<u>MODIFICATION BY FRANCHISOR</u>	12
5.07	<u>MODIFICATION BY FRANCHISEE</u>	12
6.	<u>FEES AND OTHER PAYMENTS</u>	12
6.01	<u>INITIAL FRANCHISE FEE</u>	12
6.02	<u>ROYALTY FEE AND MINIMUM ROYALTY FEE</u>	12
6.03	<u>OTHER FEES</u>	13

6.04	<u>AUTOMATED BANK DRAFT</u>	13
6.05	<u>LATE PAYMENTS AND INSUFFICIENT FUNDS</u>	14
6.06	<u>APPLICATION OF PAYMENTS</u>	14
7.	<u>RESTRICTIVE COVENANTS</u>	14
7.01	<u>COVENANTS NOT TO COMPETE</u>	14
7.02	<u>CONFIDENTIAL INFORMATION</u>	15
7.03	<u>DATA AND CUSTOMERS</u>	15
7.04	<u>PERSONAL COVENANTS OF RESTRICTED PARTIES</u>	16
7.05	<u>AGREEMENTS BY OTHER THIRD PARTIES</u>	16
7.06	<u>REASONABLE RESTRICTIVE COVENANTS</u>	16
8.	<u>YOUR ORGANIZATION AND MANAGEMENT</u>	16
8.01	<u>ORGANIZATIONAL DOCUMENTS</u>	16
8.02	<u>DISCLOSURE OF OWNERSHIP INTERESTS</u>	17
8.03	<u>MANAGEMENT OF PARLOR</u>	17
9.	<u>OPERATING STANDARDS AND FRANCHISEE OBLIGATIONS</u>	18
9.01	<u>OBLIGATIONS OF FRANCHISEE</u>	18
9.02	<u>PURCHASES AND APPROVED SUPPLIERS</u>	21
9.03	<u>INTENTIONALLY OMITTED</u>	21
9.04	<u>COMPUTER SYSTEM AND REQUIRED SOFTWARE</u>	21
9.05	<u>INSURANCE</u>	22
9.06	<u>VEHICLES</u>	23
9.07	<u>CUSTOMERS</u>	23
9.08	<u>NATIONAL AND REGIONAL ACCOUNTS</u>	23
9.09	<u>RIGHT TO USE FRANCHISEE’S NAME</u>	24
9.10	<u>EXISTING OPERATORS</u>	24
10.	<u>MARKETING AND ADVERTISING</u>	24
10.01	<u>MARKET INTRODUCTION PROGRAM</u>	24
10.02	<u>BRAND FUND CONTRIBUTION</u>	25
10.03	<u>LOCAL ADVERTISING</u>	26
10.04	<u>APPROVAL OF ADVERTISING</u>	26
10.05	<u>FRANCHISEE WEBSITE</u>	26
11.	<u>RECORDS</u>	28
11.01	<u>BOOKKEEPING AND RECORDKEEPING</u>	28
11.02	<u>PERIODIC REPORTS</u>	28
12.	<u>INSPECTIONS OF THE PARLOR; AUDITS</u>	29
13.	<u>TRANSFER OF INTEREST</u>	29
13.01	<u>FRANCHISOR’S APPROVAL</u>	29
13.02	<u>CONDITIONS FOR APPROVAL</u>	30
13.03	<u>SPECIAL TRANSFERS</u>	31
13.04	<u>DEATH OR DISABILITY OF FRANCHISEE</u>	31

13.05	<u>FRANCHISOR’S RIGHT OF FIRST REFUSAL</u>	31
13.06	<u>INTENTIONALLY OMITTED</u>	32
13.07	<u>TRANSFER BY FRANCHISOR</u>	32
14.	<u>TERMINATION OF AGREEMENT</u>	32
14.01	<u>TERMINATION BY FRANCHISEE</u>	32
14.02	<u>TERMINATION BY FRANCHISOR WITHOUT A CURE PERIOD</u>	32
14.03	<u>TERMINATION BY FRANCHISOR WITH A CURE PERIOD</u>	33
14.04	<u>RIGHT OF FRANCHISOR TO DISCONTINUE SERVICES TO FRANCHISEE</u>	35
14.05	<u>FRANCHISOR’S CURE RIGHT</u>	35
15.	<u>RENEWAL RIGHTS</u>	35
15.01	<u>RIGHT TO ACQUIRE A SUCCESSOR FRANCHISE</u>	35
15.02	<u>NOTICES</u>	35
15.03	<u>AGREEMENTS</u>	36
15.04	<u>EXPIRATION</u>	36
16.	<u>EFFECT OF TERMINATION OR EXPIRATION</u>	36
16.01	<u>PAYMENT OF AMOUNTS OWED</u>	36
16.02	<u>DISCONTINUE USE OF MARKS AND CONFIDENTIAL INFORMATION</u>	36
16.03	<u>OPTION TO PURCHASE THE PARLOR</u>	38
16.04	<u>CONTINUING OBLIGATIONS</u>	38
16.05	<u>LIQUIDATED DAMAGES</u>	38
17.	<u>RELATIONSHIP OF THE PARTIES</u>	38
17.01	<u>INDEPENDENT CONTRACTORS</u>	38
17.02	<u>INDEMNIFICATION</u>	40
17.03	<u>TAXES</u>	40
18.	<u>DISPUTE RESOLUTION</u>	40
18.01	<u>INJUNCTIVE RELIEF AND ATTORNEYS’ FEES</u>	40
18.02	<u>MEDIATION</u>	41
18.03	<u>ARBITRATION</u>	41
18.04	<u>JURISDICTION AND VENUE</u>	43
18.05	<u>WAIVER OF RIGHT TO JURY TRIAL</u>	43
18.06	<u>DAMAGES AND TIMING OF CLAIMS</u>	43
19.	<u>MISCELLANEOUS</u>	43
19.01	<u>SUCCESSORS AND THIRD PARTY BENEFICIARIES</u>	43
19.02	<u>CONSTRUCTION</u>	43
19.03	<u>INTERPRETATION AND HEADINGS</u>	44
19.04	<u>GOVERNING LAW</u>	44
19.05	<u>NOTICES</u>	44
19.06	<u>COSTS AND ATTORNEYS’ FEES</u>	44
19.07	<u>WAIVER</u>	44
19.08	<u>SEVERABILITY</u>	45
19.09	<u>FORCE MAJEURE</u>	45

19.10	<u>DELEGATION BY FRANCHISOR</u>	45
19.11	<u>NO RIGHT OF SET OFF</u>	45
19.12	<u>CUMULATIVE RIGHTS</u>	45
19.13	<u>ENTIRE AGREEMENT; MODIFICATION</u>	45
19.14	<u>COUNTERPARTS</u>	45
19.15	<u>TIME IS OF THE ESSENCE</u>	45
19.16	<u>ANTI-TERRORISM LAWS</u>	45
19.17	<u>TIMING</u>	46
19.18	<u>DISAVOWAL OF ORAL REPRESENTATIONS.</u>	47
19.19	<u>NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES.</u>	47

EXHIBITS

A – DATA SHEET

B – LIST OF OWNERS AND OPERATING PARTNER

C – GUARANTY, INDEMNIFICATION, AND ACKNOWLEDGMENT

D – ELECTRONIC FUNDS WITHDRAWAL AND CREDIT CARD AUTHORIZATION

E – PERSONAL COVENANTS

F – TELEPHONE NUMBER ASSIGNMENT AGREEMENT AND POWER OF ATTORNEY

G – LEASE RIDER

H – STATE ADDENDA

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this “Agreement”) is made and entered into this ____ day of _____, 20__ (the “Effective Date”), by and between ICD FRANCHISING, LLC, a Missouri limited liability company with its principal office at 8014 N. Broadway, St. Louis, MO 63147 (“Franchisor”), and _____, a _____, with its principal office at _____ (“Franchisee”).

WITNESSETH:

WHEREAS, Franchisor has established, at a substantial expenditure of time, effort and money, a system (the “System”) of developing, opening and operating an ice cream parlor concept under the CLEMENTINE’S®, CLEMENTINE’S ICE CREAM®, CLEMENTINE’S NAUGHTY & NICE CREAMERY®, and/or CLEMENTINE’S NAUGHTY & NICE ICE CREAM™ trademarks featuring a participatory and organoleptic guest experience, specializing in small-batch, premium handcrafted ice cream using the finest ingredients and offering unexpected flavors, blending culinary innovation with nostalgic indulgence in a vibrant atmosphere, which operate from a fixed location (each, a “Clementine’s Parlor” or “a Parlor”, and collectively, the “Clementine’s Parlors” or “Parlors”); and

WHEREAS, the distinguishing features of the System, include, but are not limited to, the names CLEMENTINE’S®, CLEMENTINE’S ICE CREAM®, CLEMENTINE’S NAUGHTY & NICE CREAMERY® or CLEMENTINE’S NAUGHTY & NICE ICE CREAM™ and all other trade names, trademarks, service marks, logos, emblems, insignia, signs and other commercial symbols developed for use with the System from time to time (collectively, the “Marks”); custom wallpaper; distinctive ice cream and other food products; specially designed fixtures, equipment, facilities, containers, and other items used in serving and dispensing food products; products, methods, procedures, recipes, distinctive food products and the formula and quality standards therefor; and instructional materials and training courses; all of which may be changed, improved and further developed by Franchisor from time to time; and

WHEREAS, Franchisor has acquired knowledge and experience in the composition, distribution, advertising and sale of ice cream, food and other products by Parlors using the System and with respect to the style of the facilities and signs used by these Parlors and has successfully established a reputation, demand and goodwill for their products; and

WHEREAS, Franchisee recognizes the value and benefits that can be derived from utilizing the System and being associated with Franchisor, the Marks and the other distinctive features of the System, and desires to obtain a franchise from Franchisor to use the System and to operate a Parlor at an accepted location, and Franchisor is willing to grant such a franchise to Franchisee, all subject to the terms and conditions of this Agreement.

NOW, THEREFORE, for and in consideration of the covenants and agreements hereinafter set forth, the parties hereto covenant and agree as follows:

1. INTRODUCTION.

1.01 Clementine’s Ice Cream. Franchisor and its Affiliates own, operate and franchise Clementine’s Parlors. Franchisor has developed and owns a comprehensive system for developing and operating Parlors, which includes trademarks, designs and layouts, distinctive standards, specifications and requirements for products, services, equipment, materials, and supplies; uniform standards, specifications, procedures and methods for operations and customer service standards; procedures for inventory and management control; training and assistance; technology standards; trade dress; marketing, advertising and

promotional programs; and certain operational and Parlor standards and policies, all of which Franchisor may add to, remove, change, improve, further develop or otherwise modify from time to time.

1.02 Acknowledgments. Franchisee acknowledges and agrees that it or its authorized officers have read this Agreement and Franchisor's franchise disclosure document. By signing this Agreement, Franchisee accepts the proposition that to deliver and execute high-quality ice cream, food and related products requires a specific approach to the product used and customer experience (impacted by the quality of people and training) not typically found in other establishments. Franchisee understands the terms of this Agreement and accepts them as being reasonably necessary to maintain the uniformity of Franchisor's high-quality standards at all Clementine's Parlors in order to protect and preserve the goodwill of the Marks and the integrity of the System. Franchisee has conducted an independent investigation of the Parlor contemplated by this Agreement and recognizes that the industry is highly competitive, with constantly changing market conditions. Franchisee recognizes that the nature of Clementine's Parlors may change over time, that an investment in a Parlor involves business risks, and that the success of the venture is largely dependent on Franchisee's own abilities, efforts and financial resources.

1.03 Representations. Franchisee and its Owners, jointly and severally, represent and warrant to Franchisor that: (a) neither Franchisee nor any of its Owners have made any untrue statement of any material fact or have omitted to state any material fact in the written information submitted in obtaining the rights granted hereunder; (b) neither Franchisee nor any of its Owners have any direct or indirect legal or beneficial interest in any Parlor that may be deemed a Competitive Business, except as Franchisee has otherwise completely and accurately disclosed in writing to Franchisor in connection with obtaining the rights granted hereunder; and (c) the execution and performance of this Agreement will not violate any other agreement to which Franchisee or any of its Owners may be bound. Franchisee recognizes that Franchisor has executed this Agreement in reliance on all of the statements Franchisee and its Owners have made in writing in connection with this Agreement.

1.04 Certain Definitions. The terms listed below have the meanings which follow them and include the plural as well as the singular. Other terms are defined elsewhere in this Agreement in the context in which they arise.

(a) **"Affiliate"** - Any Person 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" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an Entity, whether through ownership of voting securities, by contract or otherwise.

(b) **"Competitive Business"** - Any business at which more than 20% of the gross revenues or offerings consist of some combination of (i) ice cream, (ii) ice-cream-based desserts or drinks, (iii) other frozen desserts or drinks, and (iv) similar items. Restrictions in this Agreement on competitive activities do not apply to: (a) the ownership or operation of other Parlors that are licensed or franchised by Franchisor or any of its Affiliates; or (b) the ownership of shares of a class of securities that are listed on a public stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities.

(c) **"Confidential Information"** - Any information related to the System or the development and operation of Clementine's Parlors that Franchisor or any of its Affiliates discloses to Franchisee that is designated confidential or that by its nature would reasonably be expected to be held in confidence, including, without limitation: (i) equipment, products, recipes, supplies, and methods of service; (ii) plans and specifications for the development of Clementine's Parlors; (iii) sales, marketing and advertising programs and techniques for Clementine's Parlors; (iv) identity of suppliers and knowledge of

specifications, processes, procedures and equipment, and pricing; (v) knowledge of operating results and financial performance of Franchisor or any Clementine's Parlors, other than the Parlor and any other Parlor owned by Franchisee or its Affiliates; (vi) methods of inventory control, product handling, training and management relating to Clementine's Parlors; (vii) computer systems, software programs and software applications used or useful in Clementine's Parlors; and (viii) any and all other information that Franchisor provides or makes available that is labeled proprietary or confidential or which by its nature or character would reasonably be expected to be required to be treated as confidential. All information that comprises the System including the information and data in the Operations Manual will be presumed to be Confidential Information of Franchisor.

(d) "Entity" - A corporation, partnership, sole proprietorship, company, firm, limited liability company, joint venture, trust, business, association, organization, joint stock company, unincorporated organization, union, group acting in concert, governmental entity or other entity.

(e) "Net Sales" – means all revenue that arises from operating the Parlor, including all sales, services, products and merchandise rendered on, in, about or from the Parlor, together with any revenues derived from the operation of the Parlor, whether by Franchisee or any other person, including without limitation (i) where orders originate and/or are accepted by Franchisee in the Parlor but delivery or performance thereof is made from or at any place other than the Parlor, (ii) catering sales, and (iii) by digital, telephone or other similar orders received or filled at or in the Parlor; and whether paid from cash, check, vouchers, tickets, or other comparable forms of payment, credit and debit card, barter exchange, trade credit, or other credit transactions, net of authorized discounts of up to three percent (3%). Net Sales excludes: (i) all federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority, and (ii) tips and gratuities collected for employees of the Parlor. If Franchisor authorizes or requires participation in online group-bought deals, gift certificate or gift card programs, or other similar programs, the payments Franchisee receives for those online group-bought deals, gift certificates, or gift cards will be included in Net Sales upon redemption. Net Sales also includes all insurance proceeds Franchisee receives for loss of business and loss of revenue, due to a casualty or similar event at the Parlor. If Franchisee or its affiliate enters into an Expansion Option Agreement with Franchisor, all income or revenue generated in the Expansion Territory (as that term is defined in the Expansion Option Agreement) shall be treated as Net Sales.

(f) "Immediate Family" - Spouse, parents, brothers, sisters and children, whether natural or adopted.

(g) "Internet" - All communications between computers and between computers and television, phone, facsimile and similar communications devices, including the World Wide Web, proprietary online services, social media, digital applications, E-mail, news groups and electronic bulletin boards.

(h) "Marks" - The current and future trade names, trademarks, service marks and trade dress used to identify the services and/or products offered by Clementine's Parlors, including the CLEMENTINE'S®, CLEMENTINE'S ICE CREAM®, CLEMENTINE'S NAUGHTY & NICE CREAMERY® and CLEMENTINE'S NAUGHTY & NICE ICE CREAM™ trademarks and the distinctive signage and color schemes of Clementine's Parlors.

(i) "Non-Traditional Sites" – Any sites, locations or venues that independently generate customer traffic flow separate from the general customer traffic flow of the surrounding area, or by their nature are not tied to a particular physical location, including, without limitation: military bases; shopping malls (whether open-air or enclosed); large big-box retail outlets; transportation-related venues (e.g., airports, train or bus stations, marinas, travel plazas or toll roads); sports or entertainment venues

(e.g., stadiums, arenas, concert halls); major industrial or office complexes, hotels, educational facilities (e.g., school, college, and university campuses); casinos; fitness centers; hospitals and related rehabilitation or healthcare facilities; governmental institutions; amusement or recreational facilities (e.g., theme parks, outdoor municipal parks, zoos, or museums); grocery stores or department stores; mobile-based channels of distribution (e.g., food trucks); and any co-branding locations or business endeavors where a Parlor's operations are inextricably associated with, or such operations are contained within or sharing the same physical building or operational premises as, another business (such as, for example and without limitation, a gas/convenience store or another restaurant concept).

(j) “Operating Partner” - Any individual Franchisee designates in Exhibit B and any replacement thereof approved by Franchisor, as more fully described in this Agreement.

(k) “Operations Manual” – Franchisor’s confidential operations manual, as amended from time to time, which may consist of one or more manuals containing Franchisor’s mandatory and suggested standards, specifications and operating procedures relating to the development and operation of Clementine’s Parlors and other information relating to Franchisee’s obligations under this Agreement. The term “Operations Manual” includes alternative or supplemental means of communicating such information by other media which specifically reference that they are to be considered part of the Operations Manual, including items that may be posted on the cloud, Internet or an extranet, bulletins, e-mails, computer drives, and CD ROMs.

(l) “Owner” - Each Person that has a direct or indirect legal or beneficial ownership interest in Franchisee, if Franchisee is an Entity.

(m) “Person” – An individual or an Entity.

(n) “Personnel” - All persons employed or engaged by Franchisee in connection with the development, management or operation of the Parlor and all other persons who work in or for the Parlor.

(o) The “Parlor” - The Clementine’s Parlor operated by Franchisee at the Premises.

(p) “Transfer” or similar words - The voluntary, involuntary, direct or indirect sale, assignment, transfer, license, sublicense, sublease, collateral assignment, grant of a security, collateral or conditional interest, inter-vivos transfer, testamentary disposition or other disposition of this Agreement, any interest in or right under this Agreement, the Premises, any form of ownership interest in Franchisee, if an Entity, or any Owner that is an Entity or the assets, revenues or income of the Parlor including: (i) any transfer, redemption or issuance of a legal or beneficial ownership interest in the capital stock of, or a membership or partnership interest in, or of any interest convertible to or exchangeable for capital stock of, or a membership or partnership interest in, Franchisee or any Owner of Franchisee that is an Entity; (ii) any merger or consolidation between Franchisee or any Owner of Franchisee that is an Entity, on the one hand, and another Entity, on the other hand, whether or not Franchisee, or such Owner of Franchisee that is an Entity, as applicable, is the surviving Entity; (iii) any transfer in, or as a result of, a divorce, insolvency, corporate or partnership dissolution proceeding or otherwise by operation of law; (iv) any transfer upon death of Franchisee or of any of Franchisee’s Owners by will, declaration of or transfer in trust or under the laws of intestate succession; or (v) any foreclosure upon the Parlor or the transfer, surrender or loss by Franchisee of possession, control or management of the Parlor.

2. GRANT OF RIGHTS.

2.01 Grant of Franchise. Subject to the terms of this Agreement, Franchisor grants to Franchisee the right, and Franchisee assumes the obligation, to operate a Parlor from the location set forth

on Exhibit A hereto (the “Premises”) and to use the System and the Marks solely in connection therewith, for a term of ten (10) years, commencing on the Effective Date of this Agreement (the “Term”). Franchisee may not conduct the business of the Parlor or use the System at any site other than the Premises, or relocate the Parlor, without Franchisor’s prior written consent. Any approved relocation of the Parlor shall be at Franchisee’s sole cost and expense, and Franchisor shall have the right to charge Franchisee a relocation fee equal to the greater of (i) Two Thousand Five Hundred Dollars (\$2,500), and (ii) Franchisor’s actual costs. The option for renewal of the rights granted to Franchisee in this Agreement is described in Section 15 below.

2.02 Protected Territory. During the Term, other than the operation of Parlors located at Non-Traditional Sites, Franchisor will not operate (directly or through an Affiliate), nor grant to another Person the right to operate, any Clementine’s Parlor located within the geographical area set forth on Exhibit A hereto (the “Protected Territory”). Notwithstanding the foregoing, Franchisor has the right to operate (directly or through an Affiliate), and to grant to others the right to operate, within the Protected Territory and elsewhere: (a) Clementine’s Parlors or other establishments using any part or all of the System and/or Marks that are operating as of the Effective Date; and (b) establishments that Franchisor or its Affiliates purchase (or as to which Franchisor or its Affiliates purchases the rights as franchisor) that are part of another franchise system or chain and either continue to operate them independently or convert them to Clementine’s Parlors.

2.03 Reservation of Rights. Notwithstanding anything to the contrary set forth herein, Franchisor retains the right, in its sole discretion, to:

(a) establish and operate, and grant to other franchisees or licensees the right to establish and operate, a Clementine’s Parlor or any other business using the Marks, the System or any variation of the Marks and the System, (i) in any location outside the Protected Territory which includes the rights of Franchisor and others to make deliveries in Franchisee’s Protected Territory or (ii) as contemplated by Section 2.02 above, or (iii) at or from any Non-Traditional Site, regardless of whether such Non-Traditional Site is located within or outside of the Protected Territory; in each case on any terms and conditions that Franchisor deems appropriate;

(b) develop, use and franchise anywhere (including within the Protected Territory) the rights to any trade names, trademarks, service marks, commercial symbols, logos, emblems, signs, slogans, insignia, patents or copyrights not designated by Franchisor as Marks, for use with similar or different franchise systems for the sale of similar or different products or services than those constituting a part of the System, without granting Franchisee any rights therein;

(c) own, operate, franchise or license anywhere parlors and/or restaurants offering products and services of any type whatsoever operating under marks other than the Marks;

(d) offer, distribute, sell and provide products or services identified by the Marks or other trademarks, service marks, commercial symbols or emblems to customers located in the Protected Territory through any distribution channel or method, including through the Internet or worldwide web (or any other existing or future form of electronic commerce), through smart phone or other digital applications, mail order or catalogs, through telemarketing or other direct marketing, through mass merchandise, supermarkets, grocery stores, convenience stores, club stores, or through temporary or mobile locations, such as a food truck; provided, however, that any such sales will not be made from a Clementine’s Parlor located in the Protected Territory; and

(e) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by another business, even if such business operates,

franchises and/or licenses businesses in the Protected Territory that offers products and services similar to those provided at Clementine's Parlors.

3. DEVELOPMENT OF THE PARLOR.

3.01 Site Selection. Franchisee acknowledges that, other than providing its criteria for site approval for the Parlor, Franchisor provides no site-selection assistance. To that end, Franchisor will not visit the search area and Franchisee will be responsible to identify, and ultimately acquire, an appropriate site, acceptable to Franchisor, for the Parlor's operation. As Franchisee identifies prospective sites, it will notify Franchisor, and Franchisor will review criteria about the prospective sites that Franchisor deems appropriate. Franchisee will assist Franchisor by providing Franchisor any information Franchisor requests about any prospective sites. Franchisor will either approve or disapprove a site within thirty (30) days after Franchisee provides Franchisor with all information Franchisor requested about the site. Franchisee acknowledges and agrees Franchisor will not be responsible for Franchisee's results in operating at any particular site that Franchisor may have recommended, reviewed, or approved. Franchisor's approval of a site indicates only that the site meets the minimum requirements for a Parlor. Following Franchisor's approval of a site and after Franchisee secures the site, Franchisor will complete Exhibit A to this Agreement, indicating the approved location for the Parlor and the Protected Territory.

3.02 Premises. The rights granted to Franchisee hereunder shall be non-exclusive and shall be restricted to the operation of a single Parlor to be located at the Premises. During the term of this Agreement, the Premises shall be used exclusively to operate a Parlor. Franchisee agrees not to carry on or conduct or permit others to carry on or conduct any other business, activity or operation at the Parlor or the Premises, without first obtaining the written consent of Franchisor. In connection with the execution of any lease or sublease for the Premises, Franchisee must execute, and cause the lessor and/or sublessor of the Premises to execute, the Lease Rider attached to this Agreement as Exhibit G. Franchisee shall not execute a lease, sublease or purchase agreement for the Premises without Franchisor's prior written consent. The rights granted to Franchisee are for the specific Premises and cannot be transferred to any other location, except with Franchisor's prior written approval.

3.03 Opening. Franchisee may not open the Parlor for business to the public until Franchisor notifies Franchisee in writing that the Parlor meets Franchisor's standards and specifications (although Franchisor's acceptance is not a representation or warranty, express or implied, that the Parlor complies with any engineering, licensing, environmental, labor, health, building, fire, sanitation, occupational, landlord's, insurance, safety, tax, governmental, or other statutes, rules, regulations, requirements, or recommendations nor a waiver of Franchisor's right to require continuing compliance with Franchisor's requirements, standards, and policies). Franchisee agrees to comply with this Section and open the Parlor before twelve (12) months after the Effective Date (the "**Required Opening Date**").

3.04 Construction. Before commencing any construction of the Parlor, Franchisee, at its expense, shall comply, to Franchisor's satisfaction, with all of the following requirements:

(a) Franchisor will provide Franchisee a sample layout for the interior of a typical Parlor, with a set of décor specifications approved by Franchisor.

(b) Franchisee shall employ a qualified, licensed architect or engineer who has been approved or designated (as described below) by Franchisor to prepare, subject to Franchisor's approval, preliminary plans and specifications for site improvement and/or construction of the Parlor based upon prototype plans and/or specifications furnished by Franchisor. Franchisor shall have the right to designate one or more suppliers of design services and/or architecture services to supply such services to the System. If Franchisor designates a design firm and/or architecture firm prior to the time Franchisee commences to

develop the Parlor, Franchisee shall employ such designated supplier(s) to prepare all designs and plans for the Parlor, unless Franchisee obtains Franchisor's prior written approval to use an alternative professional. If Franchisor has not designated a design firm or architecture firm, Franchisee shall be responsible for locating and employing a qualified design consultant and architect who is/are licensed in the jurisdiction in which the Parlor will be located, and who is reputable and experienced in providing design and architecture services. Franchisee shall be solely responsible for payments for all design and architecture services. Franchisee expressly acknowledges and agrees that Franchisor shall not be liable for the unsatisfactory performance of any contractor, firm, supplier, professional or consultant retained by Franchisee, whether or not designated by Franchisor.

(c) Franchisee shall comply with all federal, state and local laws, codes and regulations, including the applicable provisions of the ADA, regarding the construction, design and operation of the Parlor. In the event Franchisee receives any complaint, claim, or other notice alleging a failure to comply with the ADA, Franchisee shall provide Franchisor with a copy of such notice within five (5) days after receipt thereof.

(d) Franchisee shall submit to Franchisor, for Franchisor's approval, final plans for construction based upon the preliminary plans and specifications. Franchisor's review and approval of plans shall be limited to review of such plans to assess compliance with Franchisor's design standards for the System, including such items as trade dress, presentation of the Marks, and the providing to the potential customer of certain products and services that are central to a functioning Parlor. Such review is not designed to assess compliance with federal, state or local laws and regulations, including the ADA, as compliance with such laws is the sole responsibility of Franchisee. Once approved by Franchisor, such final plans shall not thereafter be changed or modified without the prior written permission of Franchisor. Any such change made without Franchisor's prior written permission shall constitute a default and Franchisor may withhold its authorization to open the Parlor until the unauthorized change is rectified (or reversed) to Franchisor's reasonable satisfaction.

(e) Franchisee shall obtain all permits and certifications required for the lawful construction and operation of the Parlor and shall certify in writing to Franchisor that all such permits and certifications have been obtained.

(f) Franchisee shall employ a qualified licensed general contractor who has been approved or designated by Franchisor to construct the Parlor and to complete all improvements, which general contractor may be Franchisor or an affiliate of Franchisor. Franchisee shall obtain and maintain in force during the entire period of construction the insurance required under this Agreement. Franchisee expressly acknowledges and agrees that Franchisor shall not be liable for the unsatisfactory performance of any contractor retained by Franchisee.

(g) Throughout the construction process, Franchisee shall comply with Franchisor's requirements and procedures for periodic inspections of the Premises, and shall fully cooperate with Franchisor's representatives in such inspections by rendering such assistance as they may reasonably request.

(h) Franchisee agrees to use in the construction and operation of the Parlor only those brands, types or models of construction and decorating materials, fixtures, equipment, furniture and signs that Franchisor has approved for the Parlor as meeting its specifications and standards for quality, design, appearance, function and performance. Franchisee further agrees to place or display at the Premises of the Parlor only such signs, emblems, lettering, logos and display materials that are from time to time approved in writing by Franchisor. Franchisee may purchase approved types or models of construction and decorating materials, fixtures, equipment, furniture and signs from any supplier approved or designated by

Franchisor (which may include Franchisor and/or its affiliates), which approval may not be unreasonably withheld. If Franchisee proposes to purchase any type or model of construction or decorating material, fixture, equipment, furniture or sign not then approved by Franchisor, and/or any such item from any supplier which is not then approved by Franchisor, Franchisee shall first notify Franchisor in writing and shall submit to Franchisor sufficient specifications, photographs, drawings and/or other information or samples for a determination by Franchisor of whether such brand or type of construction or decorating material, fixture, equipment, furniture or sign complies with its specifications and standards. Franchisor may, in its sole discretion, refuse to approve any such item(s) and/or supplier(s) that does not meet Franchisor's standards or specifications.

3.05 Catering and Delivery Services. Franchisee may only provide catering and delivery services, or conduct any other activities outside of the Parlor, with the consent and as agreed to by Franchisor, including catering and delivery services in and outside of the Protected Territory. In connection with the foregoing, as of the date of this Agreement, so long as Franchisee complies with Franchisor's requirements related thereto, Franchisee will be permitted to engage with third-party delivery services ("3PDS") to provide delivery services to homes and businesses within a reasonable distance surrounding the Parlor, and other System franchisees may similarly offer delivery services through these 3PDS who may directly compete with the Parlor, as these 3PDS may not contract for mutually exclusive delivery areas. Franchisor may at any time and for any reason withdraw its consent for Franchisee to provide delivery services.

3.06 Franchisor's Plans. As stated above, Franchisor shall make available to Franchisee specifications and guidelines for the construction of a Clementine's Parlor and for the interior design and layout, fixtures, furnishings, equipment, and signs. Franchisee acknowledges that such standard design plans and specifications shall not contain the requirements of any federal, state or local law, code or regulation (including without limitation those concerning the Americans with Disabilities Act (the "ADA") or similar rules governing public accommodations or commercial facilities for persons with disabilities), nor shall such plans contain the requirements of, or be used for, construction drawings or other documentation necessary to obtain permits or authorization to build a specific Clementine's Parlor, compliance with all of which shall be Franchisee's responsibility and at Franchisee's expense. Franchisee understands and acknowledges that Franchisor has the right to modify the prototype design plans and specifications, and develop additional prototype design plans and specifications, as Franchisor deems appropriate from time to time (however Franchisor will not modify the prototype plans and specifications for the Parlor developed pursuant to this Agreement once those prototype plans and specifications have been given to Franchisee). Franchisee further understands and acknowledges that each Clementine's Parlor will be designed differently depending on the specifications of the Premises. Franchisee shall adapt the standard plans to the Parlor's location, subject to Franchisor's approval.

4. TRAINING AND GUIDANCE.

4.01 Franchisor Training Programs. The Parlor must have an individual that is designated by Franchisee to assume primary responsibility for managing the Parlor, and is required to own at least ten percent (10%) of the outstanding equity of Franchisee (the "Operating Partner"). The Operating Partner must meet Franchisor's qualifications and must be approved by Franchisor. Unless a separate Parlor Manager that meets Franchisor's qualifications is approved by Franchisor, Franchisee (if Franchisee is an individual) or its Operating Partner (a) must devote full-time and best efforts to the supervision of the Parlor, and (b) may not engage in any business other than the operation of the Parlor. In the event that the Operating Partner ceases to own at least a ten percent (10%) ownership interest and voting interest in Franchisee, or fails to meet Franchisor's requirements, Franchisee must designate a new Operating Partner within ninety (90) days for Franchisor's review and approval.

As and when required by Franchisor, (i) the Franchisee or owners of the Franchisee if it is an entity that own 20% or more of the entity must attend and successfully complete Franchisor's initial onboarding training within a reasonable time period established by the Franchisor after the signing of this Agreement; and (ii) the Operating Partner and any Parlor Manager must attend and successfully complete to the satisfaction of Franchisor an initial training program specified by Franchisor before the Parlor may open for business. No fee will be charged by Franchisor for the participation of up to three (3) individuals in the training program, however, Franchisee shall be responsible for the costs and expenses (such as transportation, lodging, meals, compensation and incidental expenses) of each individual who attends the training. Franchisee may invite additional employees to attend the initial training program if space allows, though Franchisor reserves the right to charge Franchisee the then-current training fee for each additional individual. Franchisor also reserves the right to limit the number of additional attendees for the initial training program. Any successor or replacement Operating Partner or Parlor Manager must successfully complete the initial training program no more than thirty (30) days after appointed. Franchisee is responsible for all related travel and living expenses and wages incurred in connection with any replacement Operating Partner or Manager attending these training sessions, as well as Franchisor's per diem training fee. No such person may offer services to the Parlor or supervise the Parlor until they have completed the initial training program.

ServSafe / Food Safety Certification. Franchisee shall, at its sole cost and expense, ensure that at all times during the Term: (a) Franchisee's designated Operating Partner and all manager level employees of the Parlor successfully complete, maintain in good standing, and timely renew the ServSafe certification programs, or such other food safety training or certification programs, as Franchisor may designate or approve from time to time; (b) the designated Parlor Manager holds a current ServSafe certification (or approved equivalent), if and to the extent required by Franchisor or applicable law; and (c) all other Personnel complete such food safety training as Franchisor may require in the Operations Manual or otherwise in writing. Franchisee shall deliver copies of all certifications and renewals to Franchisor upon request. Franchisee shall not permit the Parlor to be managed or operated by any person who has not completed the training and certifications required by Franchisor.

4.02 Franchisee Training Programs. Franchisee shall implement a training program approved by Franchisor for Personnel of the Parlor and shall be responsible for the proper training of its employees. Franchisee agrees not to employ any person who fails or refuses to complete Franchisee's training program or is unqualified to perform his or her duties at the Parlor in accordance with the requirements established for the operation of a Parlor.

4.03 Additional Training. Franchisee and its employees shall attend and conduct such additional training programs as Franchisor may from time to time reasonably require relating to the operation of the Parlor and the System. Franchisee also may be required to purchase training or other instructional materials as specified by Franchisor from time to time in the Operations Manual or otherwise. Franchisee is responsible for reimbursement of Franchisor's trainers' travel and living expenses and other related expenses and all related travel and living expenses and wages incurred in connection with any Personnel attending these training sessions. Franchisor reserves the right to charge for training program fees beyond the initial training program for Franchisee and its original Operating Partner.

4.04 Annual Refresher Training. Franchisor may, from time to time, require Franchisee, Franchisee's Operating Partner, or other designated individuals, to attend annual refresher training for up to two (2) days per calendar year. Such training may be held at any other location designated by Franchisor. Franchisee shall ensure attendance by all persons designated by Franchisor and shall bear all costs and expenses related thereto, including travel, lodging, meals, compensation, and all other out-of-pocket expenses. Franchisor reserves the right to charge for such refresher training program.

4.05 Conferences. Franchisor may require Franchisee and/or the Operating Partner to attend conferences which may be offered by Franchisor from time to time. Franchisee will be responsible for the travel and living expenses of such persons, and Franchisee must pay Franchisor's then-current registration fee per person that attends such conference.

4.06 Advisory Services. During the Term, Franchisor may, in its sole discretion, upon the request of Franchisee or if determined necessary by Franchisor, furnish counseling and advisory services to Franchisee with respect to the development, opening and/or operation of the Parlor. These counseling and advisory services shall occur at Franchisor's offices or via telephone or e-mail. Franchisor shall generally provide such assistance at no expense to Franchisee, provided Franchisor reserves the right, in its sole discretion, to charge Franchisee its then-current per diem charges plus expenses incurred in connection with providing counseling and advisory services beyond those offered as part of Franchisor's standard support established for the System. In addition, if requested by Franchisee and Franchisor's Personnel are available, or if determined necessary by the Franchisor in its sole discretion, Franchisor may provide onsite assistance and training at the Parlor, however, Franchisee shall pay to Franchisor its then-current per diem charges plus expenses and costs incurred by Franchisor in rendering such assistance.

4.07 Operations Manual. During the Term, Franchisor will loan to Franchisee one (1) copy of, or provide Franchisee with electronic access to, the Operations Manual. The Operations Manual may consist of computerized documents or software, information provided on the Internet or an extranet, or any other medium Franchisor adopts periodically for use with the System and designates as part of the Operations Manual, and may consist of a number of individual manuals. The Operations Manual is confidential, copyrighted and Franchisor's exclusive property. The Operations Manual will contain information, standards and specifications concerning the System, the development and operation of the Parlor and any other information and advice Franchisor may periodically provide to its franchisees. Franchisor may update and change the Operations Manual periodically to reflect changes in the System and the operating requirements applicable to Clementine's Parlors, and Franchisee expressly agrees to comply with each requirement within such reasonable time as Franchisor may require, or if no time is specified, within thirty (30) days after receiving notification of the requirement. Franchisee shall at all times ensure that its copy of the Operations Manual and any other confidential materials supplied by Franchisor to Franchisee are kept current and up to date. Franchisee must keep any printed Operations Manual in a secure location at the Parlor and must restrict employee access to the Operations Manual on a need to know basis, and take reasonable steps to prevent unauthorized disclosure or copying of any information in any printed or computerized Operations Manual. If Franchisor and Franchisee have any disagreement about the most current contents of the Operations Manual, Franchisor's master copy of the Operations Manual will control. Upon the expiration or termination of this Agreement for any reason, Franchisee must return all copies of the Operations Manual to Franchisor, and upon Franchisor's request, certify to Franchisor that Franchisee has not kept any copies in any medium.

4.08 Nature of Assistance and Training. Franchisee agrees that Franchisor is not obligated to provide any training or assistance to Franchisee's particular level of satisfaction, but as a function of Franchisor's experience, knowledge, and judgment. Franchisee also acknowledges that Franchisor is not obligated to provide any services to Franchisee that are not set forth in this Agreement. If Franchisee believes Franchisor has failed to adequately provide any pre-opening services to Franchisee, Franchisee must notify Franchisor in writing within thirty (30) days following the opening of the Parlor or Franchisee will be deemed to have conclusively acknowledged that all pre-opening and opening services required to be provided by Franchisor were sufficient and satisfactory in Franchisee's judgment, and complied with all representations made to Franchisee.

4.09 Inspections. Franchisor shall conduct, as it deems advisable, inspections of the operation of the Parlor by Franchisee. Franchisee shall participate in Franchisor's then-current quality control

inspection program(s), at Franchisee's sole cost and expense. Franchisor may conduct, or cause third parties to conduct, inspections of the Parlor and Franchisee's operations under such programs no more frequently than quarterly during the Term unless Franchisee has been in default during the Term. The fees for such inspections and programs shall vary depending on the circumstances, but shall not exceed Five Hundred Dollars (\$500) per day, plus reimbursement of Franchisor's actual expenses. Such amounts shall be payable to Franchisor or to third parties, as applicable.

5. TRADEMARKS; MODIFICATIONS.

5.01 Ownership of the Marks. Franchisee acknowledges that Franchisor and its Affiliates own all right, title and interest in and to the Marks. Franchisee's right to use the Marks is derived solely from this Agreement and is limited to conducting business at or in connection with the Parlor pursuant to and in compliance with this Agreement. Franchisee's unauthorized use of any of the Marks constitutes a breach of this Agreement and an infringement of Franchisor's and its Affiliates' rights to the Marks. This Agreement does not confer on Franchisee any goodwill or other interests in the Marks. Franchisee's use of the Marks and any goodwill established thereby inures to the exclusive benefit of Franchisor and its Affiliates. All provisions of this Agreement applicable to the Marks apply to any additional or substitute trademarks, service marks and trade dress Franchisor authorizes Franchisee to use. Franchisee agrees not to, at any time during or after the Term, contest, or assist any other Person in contesting, the validity or ownership of any of the Marks.

5.02 Use of the Marks. Franchisee agrees to use the Marks as the sole identification of the Parlor and identify itself as the independent owner thereof in the manner Franchisor prescribes. Franchisee agrees to use only the Marks as Franchisor prescribes in connection with the Parlor and the sale of authorized products and services. Franchisee may not use any Mark (or any abbreviation, modification or colorable imitation) as part of any corporate or legal business name or in any other manner (including any Internet related use such as an electronic media identifier, for web sites, web pages or domain names) not expressly authorized by Franchisor in writing.

5.03 Discontinuance of Use of Marks. If Franchisor decides to change, add or discontinue use of any Mark, or to introduce additional or substitute Marks, Franchisee, upon a reasonable period of time after receipt of written notice, shall take such action, at its sole expense, as is necessary to comply with such change, alteration, discontinuation, addition or substitution. Franchisor shall have no liability for any loss of revenue or goodwill due to any new Mark or discontinued Mark.

5.04 Notification of Infringements and Claims. Franchisee must notify Franchisor immediately of any apparent infringement of or challenge to Franchisee's use of any Mark, or any claim by another Person of any rights in any Mark. Franchisee may not communicate with any Person, other than its legal counsel, and Franchisor, in connection with any such infringement, challenge or claim. Franchisor will have sole discretion to take such action as it deems appropriate and will have the right to control exclusively any litigation or U.S. Patent and Trademark Office proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Mark. Franchisee must sign any and all documents, render such assistance and do such things as may be advisable in the opinion of Franchisor's counsel to protect Franchisor's interests in any litigation or U.S. Patent and Trademark Office proceeding or other administrative proceeding or otherwise to protect its interests in the Marks.

5.05 Indemnification of Franchisee. Franchisor shall indemnify Franchisee against, and reimburse Franchisee for, all damages for which Franchisee is held liable in any proceeding arising out of its authorized use of any Mark pursuant to and in compliance with this Agreement and, except as provided herein, for all costs Franchisee reasonably incurs in defending any such claim brought against Franchisee, provided Franchisee has timely notified Franchisor of such claim and provided further that Franchisee and

its Owners and Affiliates are in compliance with this Agreement and all other agreements entered into with Franchisor or any of its Affiliates. At Franchisor's sole discretion, Franchisor is entitled to prosecute, defend and/or settle any proceeding arising out of Franchisee's use of any Mark pursuant to this Agreement, and, if Franchisor undertakes to prosecute, defend and/or settle any such matter, Franchisor has no obligation to indemnify or reimburse Franchisee for any fees or disbursements of any legal counsel retained by Franchisee.

5.06 Modification by Franchisor. Franchisee recognizes and agrees that from time to time hereafter, Franchisor may change, modify or improve the System, including, without limitation, modifications to the Operations Manual, the processes and systems to support the Parlor, the products and services offered for sale, the required equipment, the signage, the presentation and usage of the Marks, and the adoption and use of new, modified or substituted Marks or other proprietary materials. Franchisee agrees to accept, use and/or display for the purposes of this Agreement any such changes, modifications or improvements to the System, including, without limitation the adoption of new, modified or substituted Marks, as if they were part of the System as of the date of this Agreement, and Franchisee agrees to make such expenditures as such changes, modifications or improvements to the System may require.

5.07 Modification by Franchisee. If Franchisee develops any new modification, concept, process, improvement or slogan (including any and all inventions, discoveries, trademarks and improvements) in the operation or promotion of the Parlor or to the System, the same shall be deemed a work made for hire, and Franchisee shall promptly notify Franchisor of, and provide Franchisor with all necessary information regarding, such modification, concept, process, improvement or slogan, without compensation to Franchisee. Franchisee acknowledges that any such modification, concept, process, improvement or slogan shall become Franchisor's sole and exclusive property and that Franchisor may use and/or allow other franchisees to use the same in connection with the System or the operation of Clementine's Parlors, without compensation to Franchisee. Franchisee shall assist Franchisor, at Franchisor's expense, in obtaining execution of all documents and taking all other actions which Franchisor may reasonably request to make possible the filing of patent applications for any such developments and to establish that Franchisor is the owner of both the developments and any patent applications made in connection with such developments.

6. FEES AND OTHER PAYMENTS.

6.01 Initial Franchise Fee. Upon the execution of this Agreement, Franchisee shall pay to Franchisor an initial franchise fee in an amount set forth on Exhibit A (the "Initial Franchise Fee"). Franchisee acknowledges and agrees that the Initial Franchise Fee is paid as consideration for Franchisor granting Franchisee the right to develop, open and operate the Parlor using the Marks and the System, that the Initial Franchise Fee is fully earned by Franchisor at the time this Agreement is executed, and that the Initial Franchise Fee shall not be refundable for any reason.

If Franchisee or one or more of its Affiliates or Owners operates or manages an existing establishment as of the Effective Date of this Agreement that it is converting to the Parlor (an "Existing Parlor"), the Initial Franchise Fee will be reduced as set forth on Exhibit A.

6.02 Royalty Fee and Minimum Royalty Fee.

(a) In addition to all other amounts required to be paid hereunder, during the term hereof, Franchisee agrees to pay Franchisor a continuing royalty fee (the "Royalty Fee") equal to the greater of: (i) five percent (5%) of Net Sales per month and (ii) the applicable Minimum Royalty Fee. As of the Effective Date, Franchisor requires payment of the Royalty Fee to be made no later than the 5th day of each month for Net Sales from the prior month during the term of this Agreement; however Franchisor

reserves the right to require the Royalty Fee to be paid weekly or some alternate schedule with procedures as it may require.

(b) The “Minimum Royalty Fee” applicable to the Parlor is an amount of Seven Hundred Fifty Dollars (\$750.00) per month. The Minimum Royalty Fee will be assessed beginning on the first day of the month following the Required Opening Date until the Parlor opens in compliance with Franchisor’s standards, *provided that*, Franchisor will not charge the Minimum Royalty Fee before the Parlor opens if Franchisee is diligently using all good faith efforts to open the Parlor, as determined in Franchisor’s sole and absolute discretion. After the Parlor is open for twelve (12) months of operation, the Minimum Royalty Fee will apply and will be based off of the average monthly Net Sales of twelve (12) months of operation on a trailing twelve (12) month basis. The Minimum Royalty Fee will be pro-rated for partial months and will be assessed monthly or some alternative schedule Franchisor may require.

6.03 Other Fees.

(a) Brand Fund Contribution. Franchisor may, in its sole discretion, charge a “Brand Fund Contribution” in consideration for the advertising and marketing services it provides, which may include the creation and production of marketing materials and preparation of advertising campaigns. Franchisee must pay as a Brand Fund Contribution amounts that Franchisor establishes at any time and from time to time, not to exceed four percent (4%) of Net Sales, which are payable monthly together with the royalty fees due hereunder. At this time, the current Brand Fund Contribution is two percent (2%) of Net Sales, subject to a minimum of Two Hundred Fifty Dollars (\$250.00) per month, and is collected monthly with the Royalty Fee; however Franchisor reserves the right to require the Brand Fund Contribution to be paid on some alternate schedule with procedures as it may require.

(b) Technology Fee. Beginning at the time that is the earlier of (i) the date Franchisor provides Franchisee electronic access to Franchisor’s systems, or (ii) the 12th month after the date of this Agreement, Franchisee will pay Franchisor (or its designee) its then-current monthly Technology Fee for such technology as Franchisor may designate or license for Franchisee’s use at the Parlor. The Technology Fee may change from time to time, *provided, however*, that any increase in the Technology Fee shall not exceed 5% per year, compounded annually on a cumulative basis, whether or not Franchisor implements an increase in any prior year. If Franchisor does not directly provide these services, Franchisee will be required to sign a separate agreement with Franchisor’s designated provider of these services (which may be an affiliate of Franchisor).

(c) Standard Default Fee. In addition to Franchisor’s other rights under the law and this Agreement, if Franchisee breaches or defaults on certain provisions of this Agreement that are not otherwise addressed by another fee in this section, and Franchisee fails to cure the breach or default during the cure period, Franchisee will immediately on notice from Franchisor pay to Franchisor a Standard Default Fee per default per cure period that passes until the breach or default is cured to offset Franchisor’s costs incurred in addressing the default. Breaches and defaults subjecting Franchisee to this Standard Default Fee are material breaches and defaults of this Agreement and include, but are not limited to, those breaches and defaults outlined in this Agreement’s Section 14.03. Franchisee must pay the Standard Default Fee immediately upon notice from Franchisor. The “Standard Default Fee” will begin at Five Hundred Dollars (\$500) for the first default, and will increase by an additional Five Hundred Dollars (\$500) for each default thereafter that occurs during the then-current term of the Franchise Agreement.

6.04 Automated Bank Draft. All Royalty Fees, Brand Fund Contributions, Technology Fees, and other fees or contributions required to be paid to Franchisor or its Affiliates shall be paid by automated bank draft or such other method as determined by Franchisor, as applicable, in its sole discretion. At least thirty (30) days before opening the Parlor, Franchisee shall provide Franchisor with Franchisee’s bank

name, address, account number, and a voided check from Franchisee's bank account. Franchisee shall also execute an Electronic Funds Withdrawal and Credit Card Authorization, which is attached as Exhibit D to this Agreement (which also includes a credit card authorization in favor of Franchisor authorizing Franchisor to charge all amounts Franchisee or its affiliates owe to Franchisor or its affiliates under this Agreement or any other agreement between Franchisee or its affiliates and Franchisor or its affiliates), and give copies to Franchisee's bank and to Franchisor. If Franchisee makes any payment by credit card or electronic payment, Franchisee shall be responsible for the credit card processing or electronic processing transaction fees. Franchisee shall immediately notify Franchisor of any change in Franchisee's banking relationship, including changes in account numbers. Franchisor reserves the right to require Franchisee to pay any fees due under this Agreement by other means Franchisor may specify from time to time. If Franchisee does not report Net Sales in the time period required by Franchisor, Franchisor may process an automated bank draft (or other method used by Franchisor to collect funds) based on one hundred twenty percent (120%) of the last Royalty Fee, Brand Fund Contribution, and other fees that Franchisor collected. If the Royalty Fee, Brand Fund Contribution, and other amounts Franchisor collects are less than the fees Franchisee actually owes Franchisor, Franchisor will debit Franchisee's account for the balance on a day Franchisor specifies. If the Royalty Fee, Brand Fund Contribution, and other amounts Franchisor debits are greater than the fees Franchisee actually owes Franchisor, Franchisor will credit the excess against the amount Franchisor otherwise would debit from Franchisee's account during the following month.

6.05 Late Payments and Insufficient Funds. All overdue payments for fees required to be paid hereunder shall bear interest from the date due at the rate specified by Franchisor from time to time, up to the highest rate permitted by law, but in no event shall such rate exceed one and one-half percent (1½%) per month. Interest shall accrue on all late payments regardless of whether Franchisor exercises its right to terminate this Agreement as provided for herein. In addition to its right to charge interest as provided herein, Franchisor may charge Franchisee a \$50 late payment fee for all such overdue payments and a \$30 insufficient funds fee for each check, automated bank draft payment, or other payment method that is not honored by Franchisee's financial institution.

6.06 Application of Payments. Notwithstanding designation by Franchisee to the contrary, all payments made by Franchisee hereunder will be applied by Franchisor at its discretion to any of Franchisee's past due amounts. Franchisee acknowledges that Franchisor has the right to set-off amounts Franchisee owes Franchisor against any amounts Franchisor may owe Franchisee. Franchisee agrees not to set off or withhold payment of any monthly or other amounts due to Franchisor or its Affiliates, due to the nonperformance or alleged nonperformance by Franchisor of any of its obligations hereunder.

7. RESTRICTIVE COVENANTS.

7.01 Covenants Not to Compete.

(a) **Non-Competition during Term.** In addition to and not in limitation of any other restrictions on Franchisee contained herein, Franchisee and Franchisee's spouse, and, if Franchisee is not an individual, each of its Owners and their spouses (each, a "Restricted Party"), agree that they will not, directly or indirectly, for and on behalf of itself, himself, herself or any other Person, without the prior written consent of Franchisor, during the Term (i) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business, regardless of location or (ii) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business, regardless of location.

(b) **Post-Term Non-Competition.** In addition to and not in limitation of any other restrictions on Franchisee contained herein, Franchisee and the Restricted Parties agree that they will not, for two (2) years following the effective date of termination or expiration of this Agreement for any reason,

or following the date of a Transfer by Franchisee, or, with respect to a Restricted Party only, by such Restricted Party, directly or indirectly, for and on behalf of itself, himself, herself or any other Person, without the prior written consent of Franchisor, (i) have any direct or indirect interest as a disclosed or beneficial owner in a Competitive Business or (ii) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business which, in either case, is located or operating (a) at the premises of the Parlor; (b) within a ten (10) mile radius of the premises of the Parlor; and (c) within a ten (10) mile radius of the protected territory of any Parlor.

(c) General. The parties acknowledge that the covenants contained in this Section 7.01 are given in consideration of the fact that Franchisee and the Restricted Parties will possess knowledge of Franchisor's System and operating methods and Confidential Information, disclosure and use of which would prejudice the interest of Franchisor and its franchisees and licensees of other Clementine's Parlors. Franchisee further understands and acknowledges the difficulty of ascertaining monetary damages and the irreparable harm that would result from breach of these covenants. If any part of this restriction is found to be unreasonable in scope, time or distance, such scope, time or distance may be reduced by appropriate order of the court to that deemed reasonable. Franchisor shall, as a matter of course, receive injunctive relief to enforce such covenants in addition to any other relief to which it may be entitled at law or in equity. Franchisor shall receive such injunctive relief without the necessity of posting bond or other security, such bond or other security being hereby waived.

7.02 Confidential Information.

(a) Franchisee acknowledges and agrees that in connection with the ownership, development and/or operation of Clementine's Parlors by Franchisor and its Affiliates, Franchisor and its Affiliates have developed at great expense Confidential Information that is part of the System and that is not commonly known by or available to the public. This Confidential Information does not include any information that (i) is commonly known by or available to the public; (ii) has been voluntarily disclosed to the public by Franchisor or its Affiliates; (iii) has been independently developed or lawfully obtained by Franchisee (other than by virtue of disclosure by Franchisor or its Affiliates in connection with this Agreement); or (iv) has otherwise entered the public domain through lawful means.

(b) Franchisee and each Restricted Party agree that while this Agreement remains in effect such party will not, directly or indirectly, disclose or publish to any Person, or copy or use for such party's own benefit, or for the benefit of any other Person, any Confidential Information, except as required to carry out Franchisee's obligations under this Agreement or as Franchisor has otherwise expressly approved in writing. As between Franchisor, on the one hand, and Franchisee and the Restricted Parties, on the other hand, all Confidential Information is the sole and exclusive property of Franchisor. Franchisee and each Restricted Party agree that the restrictions contained in the preceding sentences in this Section 7.02(b) will remain in effect with respect to Confidential Information for five (5) years following termination or expiration of this Agreement for any reason; provided, however, if the Confidential Information rises to the level of a trade secret under applicable law, then such restriction shall remain in effect until such time as the information does not constitute a trade secret. Franchisee also agrees that it and all of its Personnel will take appropriate steps to protect Confidential Information from any unauthorized disclosure, copying or use. At any time upon Franchisor's request, and in any event upon expiration or termination of this Agreement, Franchisee will immediately return any copies of documents where there are materials containing Confidential Information and will take appropriate steps to permanently delete and render unusable any Confidential Information stored electronically.

7.03 Data and Customers. In addition to the obligations set forth in Sections 7.01 and 7.02 above, Franchisee: (a) shall not reproduce, release or in any way make available or furnish, either directly or indirectly, to any person or Entity at any time, any information concerning the customers of Franchisee

under this Agreement, which may be used to solicit sales of Parlor from such customers including, but not limited to, the type of sales of Parlor covered by this Agreement; (b) shall protect all said customer information from disclosure, destruction, loss or theft during the Term of this Agreement and until all copies of customer lists and copies of all other information concerning customers are turned over to Franchisor; (c) agrees not to use or permit to be used said information concerning Franchisee's customers in any manner except in the performance of this Agreement; and (d) shall at all times maintain any information, including lists, relating to the customers of Franchisee separate and distinct from any customer information Franchisee may maintain that is unrelated to this Agreement. In addition to the obligations set forth above, upon termination of this Agreement for any reason, Franchisee shall immediately deliver to Franchisor all copies of lists of customers and copies of all other information concerning customers, including, but not limited to, all computer generated data regarding such customers, and neither Franchisee nor its directors, officers, Owners, managers, employees, successors and assigns shall use any said information concerning such customers to solicit any of such customers. All of the information Franchisor or its Affiliates obtain from Franchisee or the Parlor, and all information in Franchisee's or Franchisor's records about the customers of the Parlor (the "Information") and all revenues Franchisor derives from the Information will be Franchisor's property. However, Franchisee may at any time during the term of this Agreement use it in the operation of the Parlor (but for no other purpose), to the extent lawful and at Franchisee's sole risk and responsibility, any information that Franchisee acquires from third parties in operating the Parlor, including customer data. The Information (except for information Franchisee provides to Franchisors or its affiliates about Franchisee and its Affiliates, including Franchisee's respective officers, directors, shareholders, partners, or Owners) will become Franchisor's property, which Franchisor may use for any reason Franchisor deems necessary or appropriate in its discretion. Franchisee hereby authorizes any software providers or other vendors to release this information to Franchisor at any time. After termination or expiration of this Agreement, Franchisee will no longer use any of the Information, except to comply with Franchisee's post-term obligations under this Agreement.

7.04 Personal Covenants of Restricted Parties. As a condition to the effectiveness of this Agreement, and at the time Franchisee delivers this signed Agreement to Franchisor, each Restricted Party must sign and deliver to Franchisor the Personal Covenants attached hereto as Exhibit E (the "Personal Covenants"), agreeing to be bound personally by all the provisions of Sections 7.01, 7.02, 7.03, 7.06, 13.05, 18 and 19 hereof. If there are any changes in the identity of any such Restricted Party while this Agreement is in effect, Franchisee must notify Franchisor promptly and cause the new Restricted Party to sign and deliver to Franchisor the Personal Covenants.

7.05 Agreements by Other Third Parties. As a condition to Franchisor's execution of this Agreement, Franchisee, if requested by Franchisor, shall cause its Operating Partner, each owner, officer and director (including their spouses), to execute a confidentiality, noncompetition, and/or nonsolicitation agreement in the form(s) approved or prescribed by Franchisor from time to time, which shall include specific identification of Franchisor as a third-party beneficiary of such covenants with the independent right to enforce them.

7.06 Reasonable Restrictive Covenants. Franchisee and each Restricted Party acknowledge and agree that the covenants and restrictions in this Section 7 are reasonable, appropriate and necessary to protect the System, other Clementine's Parlors and the legitimate interest of Franchisor and its Affiliates, and (b) do not cause undue hardship on Franchisee or any of the other individuals required by this Section 7 to comply with the covenants and restrictions.

8. YOUR ORGANIZATION AND MANAGEMENT.

8.01 Organizational Documents. If Franchisee is an Entity as of the date hereof, or if the original Owner(s) of the franchise sign this Agreement in their individual capacities and thereafter elect to

Transfer this Agreement (as permitted herein) to an Entity, the Franchisee and each of the Owners represent, warrant and agree that: (a) the Franchisee Entity is duly organized and validly existing under the laws of the state of its organization, and, if a foreign corporation, partnership, limited liability company or other legal entity, it is duly qualified to transact Parlor in the state in which the Parlor is located; (b) the Franchisee Entity has the authority to execute and deliver this Agreement and to perform Franchisee's obligations hereunder; (c) true and complete copies of the articles or certificate of incorporation, partnership agreement, bylaws, subscription agreements, buy-sell agreements, voting trust agreements and all other documents relating to the ownership, organization, capitalization, management and control of the Franchisee Entity have been delivered to Franchisor and all amendments thereto shall be promptly delivered to Franchisor; and (d) the Franchisee Entity's activities are restricted to those necessary solely for the development, ownership and operation of one or more Parlors in accordance with this Agreement and in accordance with any other agreements entered into with Franchisor or any of its Affiliates.

8.02 Disclosure of Ownership Interests. Attached hereto as Exhibit B is a description of the legal organization of Franchisee, the names and addresses of each Owner and the percentage of such interest owned by such Principal Owner. Franchisee agrees to notify Franchisor in writing whenever there is any change in the organizational structure or ownership interest of Franchisee as set forth on Exhibit B. Franchisor may require each Owner (and each Owner's spouse) owning an interest in Franchisee to execute the Personal Guaranty attached hereto as Exhibit C.

8.03 Management of Parlor.

(a) If Franchisee is, or at any time becomes, an Entity, Franchisee must designate on Exhibit B an "Operating Partner", which individual must be approved by Franchisor and: (a) own and control, or have the right to own and control (subject to terms and conditions reasonably acceptable to Franchisor), not less than a ten percent (10%) interest in Franchisee's equity and voting rights; (b) have the authority to bind Franchisee regarding all operational decisions with respect to the Parlor; and (c) have completed Franchisor's training program to its satisfaction. Unless a separate Parlor Manager that meets Franchisor's qualifications is approved by Franchisor to assume day-to-day supervision of the Parlor, the Operating Partner (i) shall exert his or her full-time and best efforts to the development and operation of the Parlor; and (ii) may not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility or time commitments or otherwise may conflict with his or her obligations hereunder. Franchisee shall provide Franchisor with a copy of any proposed arrangement, agreement or contract, and all amendments thereto, with the Operating Partner for Franchisor's prior review and approval, and upon approval thereof, executed copies thereof. Franchisor shall have no responsibility, liability or obligation to any party to any such arrangement, agreement or contract, or any amendments thereto, on account of Franchisor's approval thereof or otherwise, and Franchisee agrees to indemnify and hold Franchisor harmless with respect thereto.

(b) In the event that the Operating Partner elects not to supervise the management and day-to-day operations of the Parlor, at least sixty (60) days prior to the opening of the Parlor, Franchisee agrees to designate and to retain at all times during the term of this Agreement, a Parlor Manager who meets Franchisor's qualifications to supervise the operation of the Parlor. The Parlor Manager must devote full time and best efforts to the supervision of the Parlor and shall not engage in any other business, including the supervision or management of any additional Clementine's Parlors. Each Clementine's Parlor must have a different Parlor Manager. Franchisee acknowledges and agrees that the appointment of a Parlor Manager will not relieve the Operating Partner of his or her supervisory responsibilities for the operation of the Parlor. Franchisee and its Operating Partner shall remain fully responsible for the Parlor Manager's performance. In the event that the Parlor Manager leaves Franchisee's employment, dies or becomes disabled, or ceases to meet Franchisor's qualifications, the Operating Partner must immediately assume operational management and supervision of the Parlor on a full-time basis.

(c) The names of Franchisee's Operating Partner and Parlor Manager, if any, along with such other information Franchisor shall require in order to determine if such individuals meet Franchisor's qualifications, shall be provided to Franchisor in writing, and Franchisee agrees to keep such information current at all times during the term of this Agreement. Franchisee must promptly notify Franchisor in writing if the Operating Partner or any Parlor Manager cannot continue or no longer qualifies to serve in that capacity and Franchisee must replace such Operating Partner or Parlor Manager within ninety (90) days after any such notice.

9. OPERATING STANDARDS AND FRANCHISEE OBLIGATIONS.

9.01 Obligations of Franchisee. Franchisee recognizes the mutual benefit to Franchisee, Franchisor and other Clementine's Parlors of the uniformity of the appearance, products, services and advertising of the System and acknowledges and agrees that such uniformities are necessary for the successful operation of a Parlor. Franchisee also acknowledges and agrees that Franchisor has worked to develop and maintain a reputation for excellence with respect to the products and services sold under the Marks and at Clementine's Parlors, and Franchisee acknowledges and agrees that it is of the utmost importance to Franchisor, Franchisee and all other Clementine's Parlors that such reputation be maintained. As such, Franchisee covenants and agrees with respect to the operation of the Parlor that Franchisee and its employees and agents will comply with all of the requirements of the System and the Operations Manual and will throughout the Term:

(a) Operate the Parlor and prepare and sell all products and services sold therein in accordance with, and comply with all requirements of, this Agreement, Franchisor, the System and the Operations Manual as they are now or hereafter established, including, without limitation, any specifications, standards, business practices and policies. Franchisor and its duly authorized representatives shall have the right, if they so elect, at all reasonable times, to enter and inspect the Parlor to ensure that Franchisee is in compliance therewith and to test any and all equipment, systems, products and ingredients used in connection with the operation of the Parlor.

(b) Maintain at all times, at its expense, the Parlor and its equipment, fixtures, furnishings, furniture, décor, premises, parking areas, landscape areas, if any, and interior and exterior signs in a clean, attractive and safe condition in conformity with the Operations Manual and Franchisor's high standards and public image. Franchisee shall promptly make all repairs and replacements thereto as may be required to keep the Parlor in the highest degree of sanitation and repair and to maintain maximum efficiency and productivity and in accordance with Franchisor's specifications. If Franchisor changes the System or standards of operation with respect to the Parlor, Franchisee expressly agrees to comply with each change within such reasonable time as Franchisor may require, or if no time is specified, within thirty (30) days after receiving notification of the change. Franchisee shall also maintain maintenance contracts and/or service contracts on all equipment and machinery designated by Franchisor and Franchisor shall have the right to designate the vendor(s) for such contracts and the requirements for the contracts.

(c) Make no physical changes from blueprint specifications or approved remodeling plans in connection with the premises constituting the Parlor on the Premises, or the design thereof, or any of the materials used therein, or their colors, without the express written approval of Franchisor, except that Franchisee will, upon request of Franchisor, make such reasonable alterations to the Parlor or premises as may be necessary to conform to the then-current marketing and operating standards and specifications of the System. Franchisee will paint the Parlor (interior or exterior) at such intervals as Franchisor may reasonably determine to be advisable, which determination shall in no event be more than once in any calendar year.

(d) Comply with all applicable laws, rules, ordinances, regulations and licensing and permitting requirements that affect or otherwise concern the Parlor or the Premises, including, without limitation, zoning, disability access, signage, fire and safety, sales tax registration, music licensing, health and sanitation, construction, HVAC, plumbing, environmental laws, and other data privacy regulations, guidelines and best practices. Franchisee will be solely responsible for obtaining any and all licenses and permits required to operate the Parlor, including, without limitation, liquor licenses. Franchisee must keep copies of all health, fire, building occupancy and similar inspection reports on file and available for Franchisor to review. Franchisee must promptly forward to Franchisor any correspondence stating that Franchisee is not in compliance with any such laws, rules, ordinances and regulations. Franchisee must abide by: (a) the Payment Card Industry Data Security Standards (“PCIDSS”) enacted by the applicable Card Associations (as they may be modified from time to time or as successor standards are adopted); (b) the Fair and Accurate Credit Transactions Act (“FACTA”); and (c) all other standards, laws, rules, regulations or any equivalent thereof applicable to electronic payments that may be published from time to time by payment card companies and applicable to electronic payments (“Electronic Payment Requirements”). If Franchisee or Franchisor are required by one of the credit card companies or another third party (including any governmental body) to provide evidence of compliance with PCIDSS, FACTA or applicable Electronic Payment Requirements, Franchisor may require Franchisee to provide, or make available, to Franchisor copies of an audit, scanning results, or related documentation relating to such compliance. If Franchisee suspects or knows of a security breach, Franchisee must immediately give Franchisor notice of such security breach and promptly identify and remediate the source of any compromise or security breach. Franchisee assumes all responsibility for providing all notices of breach or compromise and all duties to monitor credit histories and transactions concerning customers of the Parlor.

(e) Maintain sufficient inventories and employ sufficient employees to operate the Parlor at its maximum capacity and efficiency at such hours and days as Franchisor shall designate or approve in the Operations Manual or otherwise, and operate the Parlor for such hours or days so designated or approved by Franchisor.

(f) Require all employees of the Parlor to wear uniforms and abide by the System dress code and to conduct themselves at all times in a competent and courteous manner and use best efforts to ensure that its employees maintain a neat and clean appearance and render competent, sober and courteous service to customers of the Parlor. Notwithstanding anything contained herein to the contrary, Franchisor shall have no control over Franchisee’s employees, including, without limitation, work hours, scheduling, recordkeeping, wages, supervision, discipline, hiring or firing.

(g) To pay when due all amounts which it owes to anyone for supplies, equipment and other items used in connection with the Parlor and all payments owed hereunder or under any other agreement entered into in connection with the operation of the Parlor. Franchisee must notify Franchisor immediately when and if Franchisee becomes more than thirty (30) days delinquent in the payment of any of the obligations mentioned above.

(h) Use only those ingredients, products, supplies, furnishings, services, and equipment that (i) conform to the standards and specifications designated by Franchisor in the Operations Manual or otherwise, and (ii) are purchased from suppliers designated or approved in writing by Franchisor.

(i) Prominently display at the Parlor signs using the name “CLEMENTINE’S ICE CREAM,” and/or other signs, of such nature, form, color, number, location and size, and containing such material as Franchisor may from time to time reasonably direct or approve in writing; and not display in the Parlor or on the Premises or elsewhere any sign or advertising media of any kind to which Franchisor reasonably objects.

(j) Refrain from deviating from the formulas, recipes or specifications of materials and ingredients of food as specified by Franchisor, without the prior written consent of Franchisor, adhere to the menu and all changes, alterations, additions and subtractions thereof, thereto or therefrom as specified by Franchisor from time to time, follow all specifications of Franchisor as to the uniformity of products and weight, quality and quantity of unit products served and sold, and serve and sell only such menu items as are designated by Franchisor.

(k) Participate in all national, regional or local advertising and promotional activities Franchisor requires. Franchisee understands that Franchisor implements promotions such as discount coupons, certificates, frequent customer cards, special menu promotions, gift cards and other activities intended to enhance customer awareness of the System and build traffic at Parlors on a national, regional or local level. Franchisor may establish procedures and regulations related to these promotions in the Operations Manual and Franchisee agrees to honor and participate in these programs in accordance with such procedures and regulations specified by Franchisor in the Operations Manual or otherwise in writing.

(l) Become and remain in good standing a member of any purchasing and/or distribution cooperative/association/program designated by Franchisor and/or established by Franchisor for the System, remain a member in good standing thereof throughout the term of this Agreement and pay all membership fees or fees on purchases that are assessed by such purchasing and/or distribution cooperative/association/program. In addition, as required by Franchisor, maintain contracts with, or participate in any Franchisor contracts, with any third-party(ies) offering customer service experience, food safety or other service programs designed to audit, survey, evaluate or inspect Parlor operations. Franchisee understands that Franchisor has the right to specify the third party(ies) and the required level of participation in such programs and that Franchisee will bear the cost thereof.

(m) Operate and maintain the Parlor in a manner which will ensure that the Parlor will obtain the highest classification possible for restaurants of like kind from the governmental authorities that inspect restaurants in the Protected Territory. In connection with the foregoing, in the event that any health department inspection of the Parlor results in a score of less than 93 or grade "A", the Parlor shall become and remain throughout the remainder of the term of this Agreement Steritech® certified (or such similar certification as approved by Franchisor in its sole discretion). If Franchisee is not able to obtain such classification, or if Franchisee fails to operate in accordance with the general standards of quality, maintenance, repairs and sanitation required by Franchisor, then Franchisor may, at its option, place such trained personnel in the Parlor as Franchisor deems necessary to train the managerial and operating Personnel of the Parlor until the Parlor can obtain the required classification or meet such general standards. Franchisor's personnel may remain at the Parlor until the required classification is obtained or until Franchisor, in its sole discretion, decides to remove them. Franchisee shall pay all costs associated with providing such personnel, including costs of transportation, meals, lodging, wages or other compensation, including fringe benefits.

(n) Abide by any maximum, minimum or other pricing requirements established by Franchisor with respect to products and services provided at the Parlor.

(o) Attend, and have the required individuals attend, Franchisor's annual conference of franchisees, if one is held, and pay any amounts charged by Franchisor with respect to attendance thereat.

(p) Immediately notify Franchisor of—and deliver to Franchisor a copy of—any notice about a breach, default, claim, lawsuit, administrative or agency proceedings or investigations, or other actions or proceedings relating to the Parlor. Upon request from Franchisor, Franchisee will provide additional information as may be required by Franchisor about the same.

9.02 Purchases and Approved Suppliers.

(a) Franchisee shall purchase (or lease) all equipment, machinery, vehicles, fixtures, furnishings, signs, décor, ingredients, beverages, paper products, packaging, disposables, smallwares, glassware, furnishings, uniforms, technology, and other products, supplies or services required for the establishment and operation of the Parlor from suppliers designated or approved in writing by Franchisor (as used in this Section 9 the term “supplier” shall include manufacturers, distributors and other forms of suppliers). Franchisor may designate at any time and for any reason, a single or multiple supplier(s) for equipment, machinery, vehicles, fixtures, furnishings, signs, décor, ingredients, beverages, paper products, packaging, disposables, smallwares, glassware, furnishings, uniforms, technology, and other products, supplies or services and require Franchisee to purchase exclusively from such designated supplier or suppliers, which exclusive designated supplier(s) may be Franchisor or an Affiliate of Franchisor. If Franchisor designates itself as a supplier, Franchisor has the right to earn a profit on any items it supplies. Franchisor and its Affiliates may receive payments, discounts or other consideration from suppliers in consideration of such suppliers’ dealings with Franchisee and/or the System, and may use all amounts received by it without restriction. Franchisor is not required to give Franchisee an accounting of supplier payments or to share the benefit of supplier payments with Franchisee or other System franchisees.

(b) If Franchisee desires to purchase any equipment, machinery, vehicles, fixtures, furnishings, signs, décor, ingredients, beverages, paper products, packaging, smallwares, glassware, furnishings, uniforms, technology, and other products, supplies or services from suppliers other than those previously approved by Franchisor and such items have not been designated by Franchisor to be exclusively supplied by a designated supplier(s), Franchisee shall first submit to Franchisor a written request for authorization to purchase such items, together with such information and samples as Franchisor may require. Franchisor shall have the right to require periodically that its representatives be permitted to inspect such items and/or suppliers’ facilities, and that samples from the proposed suppliers, or of the proposed items, be delivered for evaluation and testing, either to Franchisor or to an independent testing facility designated by Franchisor. Permission for such inspections shall be a condition of the initial and continuing approval of such supplier, manufacturer or distributor. A charge equal to the greater of \$1,500 or the reasonable cost of the evaluation and testing, plus travel expenses incurred by Franchisor, shall be paid by Franchisee. Franchisor shall, within ninety (90) days after its receipt of such request and completion of such evaluation and testing (if required by Franchisor), notify Franchisee in writing of its approval or disapproval. Franchisor may deny such approval for any reason, including its determination to limit the number of approved suppliers. Nothing in the foregoing shall be construed to require Franchisor to approve any particular supplier, nor to require Franchisor to make available to prospective suppliers, standards and specifications for formulas, which Franchisor shall have the right to deem confidential. Franchisor reserves the right, at its option, to re-inspect from time to time the facilities and products of any such approved supplier and to revoke its approval upon the supplier’s failure to continue to meet any of Franchisor’s then-current criteria. Upon receipt of written notice of such revocation, Franchisee shall cease to sell or use any disapproved item or product and/or cease to purchase from any disapproved supplier.

9.03 Intentionally Omitted.

9.04 Computer System and Required Software. The following terms and conditions shall apply with respect to the Computer System and Required Software:

(a) Franchisor shall have the right to specify or require that certain brands, types, makes, and/or models of communications, computer systems, and hardware to be used by, between, or among Clementine’s Parlors, including without limitation: (i) computerized data processing systems, data, audio, video, and voice storage, retrieval, and transmission systems for use at Clementine’s Parlors, between or among Clementine’s Parlors, and between and among the System and Franchisor and/or Franchisee; (ii)

credit card, debit card, and other non-cash payment systems, and related hardware; (iii) physical, electronic, and other security systems; (iv) tablets, printers and other peripheral devices; (v) archival back-up systems; and (vi) internet access mode and speed (collectively, the “**Computer System**”).

(b) Franchisor shall have the right, but not the obligation, to develop or have developed for it, or to designate: (i) computer software programs and accounting system software that Franchisee must use in connection with the Computer System, and established digital applications, and any successor technology or replacement thereto (“**Required Software**”), which Franchisee shall install; (ii) updates, supplements, modifications, or enhancements to the Required Software, which Franchisee shall install; (iii) the tangible media upon which such Franchisee shall record data; and (iv) the database file structure of Franchisee’s Computer System.

(c) Franchisee shall make, from time to time, such upgrades and other changes to the Computer System and Required Software as Franchisor may request in writing, and Franchisor may periodically require Franchisee, at its expense, to upgrade or update the Computer System and Required Software to remain in compliance with the standards, specifications and requirements required by Franchisor (collectively, “**Computer Upgrades**”).

(d) Franchisee shall comply with all standards, specifications and requirements issued by Franchisor with respect to the Computer System and the Required Software, and with respect to Computer Upgrades. Franchisee shall also afford Franchisor unimpeded access to Franchisee’s Computer System and Required Software as Franchisor may request, in the manner and form, and at the times, requested by Franchisor.

(e) Franchisor may require Franchisee to pay Franchisor or its designated third party(ies) reasonable fees to support and upgrade the Computer System and Required Software. Franchisee will be required to pay the costs for technology licensed for use in the Parlor and with respect to the Computer System and Required Software. If Franchisor does not directly provide these services, Franchisee will be required to sign a separate agreement with Franchisor’s designated provider of these services (which may be an Affiliate of Franchisor).

9.05 Insurance. During the term of this Franchise Agreement, Franchisee must maintain in force, at its sole cost and expense, minimum insurance coverage, which as of the date of this Agreement, is as follows: (i) comprehensive general liability in the minimum amount of \$2,000,000 per occurrence, \$2,000,000 in the aggregate, which can be accomplished using a combination of a general liability policy and umbrella policy (Franchisor must be listed as an additional insured for grantor of the franchise, and must include primary and non-contributory endorsement in favor of Franchisor); (ii) workers’ compensation in at least the minimum amounts required by law, including benefits provided under coverage B - employers liability limits of \$1,000,000 bodily injury by accident, \$1,000,000 bodily injury by disease policy limits, \$1,000,000 bodily injury by disease each employee; (iii) automobile liability insurance (if own vehicles for catering) in the minimum amount of \$1,000,000 per occurrence and \$1,000,000 in the aggregate; (iv) automobile liability insurance (hired and non-owned liability for delivery) in the minimum amount of \$1,000,000 per occurrence, \$2,000,000 in the aggregate; (v) cyber liability in the minimum amount of \$1,000,000 per occurrence, \$1,000,000 in the aggregate (Franchisor must be listed as additional insured for vicarious liability); (vi) employment practice liability (EPL) in the minimum amount of \$500,000 per occurrence, \$500,000 in the aggregate (requires EPL third party liability included in full EPL limit, EPL sublimit of \$100,000 for wage and hour liability, and Franchisor must be listed as additional insured for vicarious liability/co-defendant); (vii) business interruption and extra expense insurance for actual sustained loss Franchisee sustains for 12 months; (viii) personal property insurance for full repair and replacement value of all business personal property and buildout/tenant improvements and betterments; (ix) employee theft insurance in the minimum amount of \$25,000; and (x) any insurance required by the

terms of the lease with Franchisee's landlord, and if there is no such lease, fire and extended coverage insurance (including, if applicable, flood and earthquake coverage) covering the building and all equipment, supplies, products, inventory, furniture, fixtures and other tangible property located in the Parlor or on the premises in the amount of the full replacement value of such property.

Before the opening of the Parlor and, thereafter, at least thirty (30) days before the expiration of any such policy or policies, Franchisee shall deliver to Franchisor certificates of insurance evidencing the proper coverage with limits not less than those required hereunder, and all such certificates shall expressly contain endorsements requiring the insurance company to give Franchisor at least thirty (30) days written notice in the event of material alteration to, or termination, non-renewal, or cancellation of, the coverages evidenced by such certificates and notice of any claim filed under such policy within thirty (30) days after the filing of such claim. Franchisor may, from time to time, during the term of this Agreement, at its sole option, require that the minimum limits and types of insurance coverage, as specified above, be increased or changed as determined solely by Franchisor. If Franchisee at any time fails or refuses to maintain any insurance coverage required by Franchisor or to furnish satisfactory evidence thereof, Franchisor, at its option and in addition to its other rights and remedies hereunder, may, but need not, obtain such insurance coverage on behalf of Franchisee, and Franchisee shall pay to Franchisor on demand any premiums incurred by Franchisor in connection therewith. Franchisee's obligation to obtain and maintain, or cause to be obtained and maintained, the foregoing policy or policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in Section 17.02 hereof. Notwithstanding the existence of such insurance, Franchisee, as agreed above, is and shall be responsible for all loss or damage and contractual liability to third persons originating from or in connection with the operation of the Parlor and for all claims or demands for damages to property or for injury, illness or death of persons directly or indirectly resulting therefrom.

9.06 Vehicles. Franchisee, entirely at its own expense, shall provide all vehicles as may be necessary and proper for the operation of the Parlor pursuant to this Agreement and shall maintain such vehicles in good working order and repair. Franchisee shall be solely responsible for registration and licensing of such vehicles and for the payment of all taxes and assessments thereon. Franchisor shall have no responsibility for any expense in connection with the purchase, maintenance or use of such vehicles, such expenses being the sole responsibility of Franchisee.

9.07 Customers. Franchisee will conform to all quality and customer service standards prescribed by Franchisor in writing. All of the services performed by Franchisee shall be of a high standard of workmanship and quality. Franchisee shall at all times maintain a general policy of satisfaction of customers and shall address all complaints of and controversies with customers arising out of the operation of the Parlor. Franchisee shall use its best efforts to respond to each customer complaint within twenty-four (24) hours after receipt of such complaint from the customer or from Franchisor (if the customer complains first to Franchisor). If Franchisee fails to respond to a complaint within such twenty-four (24) hour period, Franchisor may intervene and address and/or resolve such complaint (without incurring liability); if Franchisor incurs costs and/or expenses in addressing and/or resolving the complaint, Franchisor may charge such costs and/or expenses back to Franchisee the full amount of such costs and expenses. Franchisee shall comply with all customer service standards and procedures adopted by Franchisor as necessary to protect the goodwill of the System.

9.08 National and Regional Accounts. Franchisor, or others acting on its behalf, may from time to time establish customer accounts or promotional accounts, including establishment of events in connection with national or regional holidays, that have multiple locations across the country and possess either a national or regional presence (each, a "**National Account**" or "**Regional Account**") for catering, parties,

events, delivery, gift card, fundraising, promotional, or other product and service opportunities, as identified in writing by Franchisor from time to time. Franchisor will have the sole right to establish such programs and pricing for National Accounts and Regional Accounts as it deems to be in the best interest of the System, in its sole discretion, which may be lower than what Franchisee offers at its Parlor. If Franchisor elects to make a National Account or Regional Account opportunity available for locations within the Territory, Franchisor may offer Franchisee the opportunity to service such account within the Territory, subject to Franchisee being in good standing and satisfying Franchisor's then-current requirements. If Franchisee declines, fails timely to accept, fails to satisfy Franchisor's requirements, or fails to perform in accordance with the applicable standards or customer requirements, Franchisor may itself service such account or designate another franchisee or other provider to do so, without compensation to Franchisee. Franchisee shall comply with all requirements of Franchisor's National and Regional Accounts Program, including any requirements set forth in the Operations Manual or otherwise communicated in writing, and any customer-specific requirements, service standards, reporting obligations, billing procedures, and other reasonable program terms established by Franchisor from time to time.

Franchisor may, from time to time, establish national or brand-level marketing campaign(s) and promotional offers in connection therewith which Franchisee may be required to participate, honor or offer, subject to compliance with any applicable state or local laws or regulations.

9.09 Right to Use Franchisee's Name. Both before and after the expiration or termination of this Agreement, Franchisee agrees to give Franchisor and those acting under Franchisor's authority the right to reasonably and fairly use Franchisee's name, photograph or biographical material (including the names, photographs or biographical materials regarding Franchisee's Owners) in any publication, circular or advertisement related to the Parlor of Franchisor or Franchisee, in any place for an unlimited period, without compensation.

9.10 Existing Operators. If Franchisee or one or more of its Affiliates or Owners operates or manages an existing establishment as of the Effective Date of this Agreement that it is converting to the Parlor (an "Existing Parlor"), Franchisee, on its behalf and on behalf of its Affiliates and Owners, makes the following representations:

- (a) There is no pending or, to Franchisee's knowledge, threatened litigation, proceeding or investigation against or affecting the Existing Parlor.
- (b) The Existing Parlor has been managed and operated in material compliance with all federal, state and local laws, regulations and ordinances, and the Existing Parlor has not received a notice from any governmental authority which asserts or alleges a violation of law.
- (c) All information given to Franchisor by Franchisee with respect to Franchisee's prior revenues, profits, expenses and number of customers is true and correct.
- (d) Franchisee and its Affiliates and Owners do not own a Competitive Business which would violate the non-competition terms of this Agreement.

10. MARKETING AND ADVERTISING.

10.01 Grand Opening Plan/Market Introduction Program. Franchisee, at its sole expense, must develop and implement a grand opening plan or market introduction program approved by Franchisor. If the Parlor is opening in a market with existing Clementine's Parlors, Franchisee must conduct a grand opening plan to introduce or (if Franchisee is purchasing or converting an existing Parlor) to re-introduce the Parlor, Franchisee must spend a minimum of Fifteen Thousand Dollars (\$15,000) on the grand opening

plan. If the Parlor is opening in a market new to the Clementine's brand, Franchisee must conduct a market introduction program to introduce the brand and the Parlor to the market, and Franchisee must spend a minimum of Twenty-Five Thousand Dollars (\$25,000) on the program. Franchisee will conduct the grand opening plan or market introduction program, as applicable, in a three (3) month period prior to and after the Parlor's grand opening or re-introduction of the Parlor. Franchisee must obtain Franchisor's approval to its plan and proposed expenditures prior to the execution of the program. Franchisor shall determine in its sole and absolute discretion whether the Franchisee must conduct a grand opening plan or market introduction program based on Franchisee's designated market.

10.02 Brand Fund Contribution.

(a) In addition to all other amounts required to be paid hereunder, during the Term, Franchisor may, in its sole discretion, charge a Brand Fund Contribution for deposit into a system marketing and promotional fund (the "Brand Fund") in consideration for the advertising and marketing services it provides, which may include the creation and production of marketing materials and preparation of advertising campaigns. Franchisee must contribute to the Brand Fund amounts that Franchisor establishes at any time and from time to time, not to exceed four percent (4%) of Net Sales, which are payable monthly together with the royalty fees due hereunder. At this time, the current Brand Fund Contribution is two percent (2%) of Net Sales and is collected monthly with the royalty fee. Franchisor will place all Brand Fund Contributions it receives into the Brand Fund and will manage the Brand Fund.

(b) The Brand Fund may be managed and operated through a separate entity as Franchisor deems appropriate in its sole discretion. Any such entity will have all of the rights and duties as specified in this Section. Franchisor will in its sole discretion direct all programs related to system marketing, including, without limitation, the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. Disbursements from the Brand Fund will be made to pay reasonable expenses Franchisor incurs in connection with the general promotion of the Marks and the System, including the costs of formulating, developing, producing, and implementing advertising, marketing, promotional and public relations campaigns; creative development services; preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining an electronic commerce website and mobile technology app and/or related strategies; administering regional and multi-regional marketing and advertising programs, including, without limitation, purchasing newspaper, television, social media, digital, direct mail, and other media advertising and engaging advertising, promotion, digital marketing, and other marketing agencies and other advisors to provide assistance; monitoring the adherence to customer relations standards by franchisees; supporting public relations, market research, and other advertising, promotion, and marketing activities; and administering the Brand Fund, including Franchisor's accounting expenses and the costs of salaries and fringe benefits paid to Franchisor's (or its affiliate's) employees engaged in administration of the Brand Fund. The Brand Fund is not a trust or escrow account, and Franchisor has no fiduciary obligations regarding the Brand Fund.

Franchisor cannot assure Franchisee that any particular Parlor will benefit directly or pro-rata from the placement of advertising. The advertising and marketing services Franchisor provides may include preparing and producing materials and campaigns Franchisor selects, including video, audio, digital, and written advertising and point-of-purchase ("POP") materials, employing advertising agencies and in-house staff, and engaging in market research activities. Franchisor may furnish Franchisee with marketing, advertising and promotional materials (including POP materials), and Franchisor may charge Franchisee related administrative, shipping, handling and storage charges. These costs may vary based on individual Parlors and their merchandising capacity.

Franchisor may spend in any fiscal year an amount greater or less than the aggregate contributions of Clementine's Parlors to the Brand Fund in that year. Upon written request, Franchisor will provide

Franchisee with an annual unaudited statement of the receipts and disbursements of the Brand Fund for the most recently completed calendar year. Franchisor may at any time defer or reduce contributions of a franchised Parlor and, upon thirty (30) days' prior written notice to Franchisee, reduce or suspend the Brand Fund Contribution and operations of the Brand Fund for one or more periods of any length and terminate (and, if terminated, reinstate) the system marketing program.

10.03 Local Advertising. Franchisee agrees that, in addition to the payment of the Brand Fund Contributions and any amounts required under Section 10.02 hereof, it will spend such amount for local market advertising (e.g., marketing, promotions, publicity, social network) as determined by Franchisee but in no event less than one percent (1.0%) of Net Sales annually. Franchisee shall provide to Franchisor for its review and approval a marketing plan for its local marketing program at least sixty (60) days prior to the end of each calendar year (or such other period as Franchisor may require). Franchisee must provide proof of such local advertising expenditures upon Franchisor's request therefor. Local advertising expenditures shall not include incentive programs, including, without limitation, costs of honoring coupons and expenses and costs incurred in honoring sales promotions. If Franchisee fails to make advertising expenditures in accordance with this Section, Franchisee shall spend the amount of such deficiency during the next succeeding annual period in addition to the local advertising requirement for that period, or Franchisor, at its option, may require Franchisee to pay this amount to Franchisor. Franchisor may either spend it on Franchisee's behalf, or contribute such amount to the system marketing program, at its sole discretion. Failure to comply with this Section shall be deemed a material breach of this Agreement. Franchisee acknowledges that it must follow the procedures provided in the Operations Manual with respect to all advertising and promotional requirements, and it may not use any advertising or promotional plans that do not conform to guidelines in the Operations Manual or that Franchisor has not approved in writing.

If the Net Sales of the Parlor for any trailing twelve (12) month period are less than Four Hundred Fifty Thousand Dollars (\$450,000), then beginning with the next calendar month, the required local market advertising expenditure will increase by an additional one percent (1%) of Net Sales (for a total required local market advertising expenditure of 2% of Net Sales) until such time as the Parlor's Net Sales for a trailing twelve (12) month period equal or exceed \$450,000. For purposes of this provision, the determination of Net Sales for a trailing twelve (12) month period will be made monthly, based on the most recently completed twelve (12) consecutive calendar months.

10.04 Approval of Advertising. Any and all advertising and marketing materials that (a) do not conform to the guidelines in the Operations Manual, or (b) were not previously approved by Franchisor in writing within immediately preceding 12-month period, shall be submitted to Franchisor before any publication or run date for approval with enough time as is necessary for Franchisor to review such materials, which approval may be granted or withheld in Franchisor's sole discretion. Franchisor will provide Franchisee with written notification of its approval or disapproval within a reasonable time. In the event Franchisor does not notify Franchisee of its approval or disapproval within ten (10) days of Franchisor's receipt of the materials, the materials shall be deemed disapproved. Franchisee must discontinue the use of any approved advertising within five (5) days of Franchisee's receipt of Franchisor's request to do so. Unless the specific means of communication comply with guidelines in the Operations Manual, no advertising or promotion by Franchisee shall be conducted on or through the Internet or other electronic transmission without express prior written approval by Franchisor. All advertising and promotion by Franchisee must be factually accurate and shall not detrimentally affect the Marks or the System, as determined in Franchisor's sole discretion. From time to time, Franchisor may issue policies on advertising, promotion, marketing and social media. Franchisee covenants and warrants with respect to such policies that Franchisee and its employees and agents will comply with all of the requirements of any such policies throughout the Term.

10.05 Franchisee Website. Franchisee agrees not to promote, offer or sell any products or services relating to the Parlor, or to use any of the Marks, through the Internet or social media without

Franchisor's consent. In connection with any such consent, Franchisor may establish such requirements as Franchisor deems appropriate, including (a) obtaining Franchisor's prior written approval of any Internet domain name, home page addresses and social media accounts; (b) submission for Franchisor's approval of all Web site pages, social media, and online or digital materials and content; (c) use of all hyperlinks and other links; (d) restrictions on use of any materials (including text, video clips, photographs, images and sound bites) in which any third party has any ownership interest; and (e) obtaining Franchisor's prior written approval of any modifications.

As of the date of this Agreement, Franchisor maintains a website related to Clementine's Parlors at www.clementinesicecream.com (the "Website"). Franchisor shall have the right to designate a successor Website or remove the Website, at its discretion. Subject to the terms of this Agreement, during the Term, Franchisor may make available to Franchisee information regarding the Parlor on the Website, and/or may but is not required to provide one or more email addresses under the Website's domain for Franchisee's use (collectively, the "Email Address"). Franchisee will be permitted to use the Email Address solely to promote, and provide customers information related to, the Parlor operated by Franchisee. Franchisee shall only use the Email Address in accordance with terms of this Agreement as well as any guidelines, directives or in the Operations Manual. Franchisee understands and agrees that no message sent from the Email Address may contain content which references any other business other than the Parlor operated by Franchisee. Franchisee will not upload, publish, display or otherwise include or use any content on the Website without receiving the prior written approval of Franchisor.

Franchisee acknowledges and understands that the registration for the Website domain name is and shall be maintained exclusively in the name of Franchisor or its designee. Franchisee acknowledges Franchisor's or its designee's exclusive right, title and interest in and to the domain name for the Website and further acknowledges that nothing herein shall give it any right, title or interest in such domain name. Franchisee will assist Franchisor in preserving and protecting Franchisor's or its designee's rights in and to the Website domain name.

Franchisee further acknowledges and agrees that Franchisor may, at any time in its sole discretion, cease to make the Website available to the public or the Email Address available to Franchisee. Franchisee agrees that Franchisor shall have no liability for failing to make the Website available to the public or the Email Address available to Franchisee.

ADDITIONALLY, TO THE MAXIMUM EXTENT PERMITTED BY LAW, FRANCHISOR HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES (WHETHER EXPRESS, IMPLIED OR STATUTORY) RELATED TO THE AVAILABILITY AND PERFORMANCE OF THE WEBSITE, AND THE EMAIL ADDRESS, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF NONINFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. TO THE MAXIMUM EXTENT PERMITTED BY LAW, FRANCHISOR SHALL NOT BE LIABLE FOR ANY DIRECT OR INDIRECT DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY CONSEQUENTIAL, PUNITIVE OR INCIDENTAL DAMAGES OR DAMAGES FOR LOST PROFIT OR LOSS OF PARLOR) RELATED TO THE USE, OPERATION, AVAILABILITY OR FAILURE OF THE WEBSITE OR EMAIL ADDRESS. Upon the termination or expiration of this Agreement for any reason or Franchisee's default under this Agreement for any reason, all right of Franchisee to use the Email Address shall immediately cease, and Franchisor may cease to make the Email Address available to Franchisee.

Other than in connection with the Website and the Email Address, Franchisee shall be strictly prohibited from using the Marks in any fashion that does not conform to the guidelines in the Operations Manual over the Internet, on any website, including any social and/or networking websites, including, but not limited to, Facebook, LinkedIn, Snapchat, Instagram, TikTok, and Twitter, or through other forms of

electronic or digital media, without Franchisor's prior written consent. Any such use must be in compliance with any policies issued by Franchisor relating to advertising, promotion, marketing and social media, as such may be amended, modified and/or expanded by Franchisor at any time in its sole discretion. Franchisee will not violate Franchisor's privacy policies as posted on any Website or other location.

11. RECORDS.

11.01 Bookkeeping and Recordkeeping. Franchisee agrees to establish a bookkeeping and recordkeeping system conforming to the requirements prescribed from time to time by Franchisor, relating, without limitation, to the use and retention of invoices, coupons, purchase orders, payroll records, check stubs, bank statements, sales tax records and returns, cash receipts and disbursements, payroll records, journals and general ledgers. In establishing and maintaining Franchisee's bookkeeping and recordkeeping system, Franchisee shall use a chart of accounts designated by Franchisor and all form documents established by Franchisor in the Operations Manual or otherwise. Franchisee acknowledges and agrees that if Franchisor is required or permitted by statute, rule, regulation or any other legal requirement to disclose any information regarding Franchisee or the operation of the Parlor, including, without limitation, earnings or other financial information, Franchisor shall be entitled to disclose such information. In addition, Franchisee hereby expressly permits Franchisor to disclose any such information to potential purchasers (and their employees, agents and representatives) of Franchisor in connection with the sale or transfer of any equity interests or assets of Franchisor or any merger, reorganization or similar restructuring of Franchisor.

11.02 Periodic Reports. Franchisee must provide Franchisor with those financial reports, data, information and supporting records required thereby from time to time, including, without limitation:

(a) A statement of relevant Net Sales in the form required by Franchisor to be delivered as directed by Franchisor in advance of each payment of the Royalty Fee, Brand Fund Contribution, and other payments required to be made to Franchisor;

(b) A monthly unaudited balance sheet and profit and loss statement in a form satisfactory to Franchisor covering Franchisee's Parlor for the prior month and fiscal year to date, all of which shall be certified by Franchisee as true and correct and delivered to Franchisor no later than the twentieth (20th) day of each month;

(c) Annual financial statements compiled in a form satisfactory to Franchisor, which shall include a statement of income and retained earnings, a statement of cash flows and a balance sheet of Franchisee for each fiscal year, to be delivered to Franchisor no later than the 90th day after the end of such fiscal year. If such statements contain irregularities as determined at the sole discretion of Franchisor, Franchisor shall have the right at any time to require audited annual statements to be provided to it, at Franchisee's expense;

(d) An annual copy of Franchisee's signed tax filings (including all supporting schedules) as filed with the Internal Revenue Service (or any forms which take the place of those forms), and all other federal, state and local sales and use and income tax reports Franchisee is required to file, all to be delivered within thirty (30) days after filing;

(e) A statement of local advertising expenditures made pursuant to Section 10.03 for fiscal year to date, in a form satisfactory to Franchisor, along with invoices documenting such expenditures (if required by Franchisor), to be delivered within twenty (20) days after the end of each calendar quarter or such other period as Franchisor may require;

(f) Insurance certificates in connection with Franchisor's annual renewal of the policies;

(g) All health and safety inspection reports, to be delivered to Franchisor promptly upon receipt thereof by Franchisee; and

(h) Such other information as Franchisor may require from time to time, including product sales mix and labor reports, within thirty (30) days of Franchisor's request.

All such reports or other information shall be prepared (i) using any form documents established by Franchisor as set forth in the Operations Manual or otherwise, if available, and (ii) in accordance with generally accepted accounting principles, consistently applied. If any of the reports or other information required to be given to Franchisor in accordance with this Section are not received by Franchisor by the required deadline, Franchisor may charge Franchisee a late submission fee equal to \$50.

12. INSPECTIONS OF THE PARLOR; AUDITS.

Franchisee shall allow representatives of Franchisor to inspect Franchisee's books and records at all reasonable times in order to verify Net Sales that Franchisee reports as well as to verify Franchisee's advertising expenditures required by this Agreement and any other matters relating to this Agreement or the operation of the Parlor. Franchisor may require Franchisee to submit to Franchisor, or Franchisor's representatives, copies of Franchisee's books and records for any offsite inspection that Franchisor or Franchisor's representatives conduct to audit the Parlor. If an inspection reveals that Net Sales of Franchisee have been understated, Franchisee shall immediately pay to Franchisor the amount of Royalty Fee, Brand Fund Contribution, and other amounts required to be paid to the Franchisor overdue, unreported or understated, together with interest as prescribed above. All inspections shall be at the expense of Franchisor; provided, however, if the inspection results in a discovery of a discrepancy in the total amount owed by Franchisee to Franchisor during the applicable audit period of two percent (2%) or more, or if the audit is required because Franchisee failed to comply with Franchisor's reporting requirements, then Franchisee shall pay or reimburse Franchisor for any and all reasonable expenses incurred by Franchisor in connection with the inspection, including, but not limited to, attorneys' and accounting fees, travel expenses, room and board and compensation of Franchisor's employees.

13. TRANSFER OF INTEREST.

13.01 Franchisor's Approval. The rights and duties created by this Agreement are personal to Franchisee or, if Franchisee is an Entity, its Owners. Accordingly, neither Franchisee nor any of its Owners may Transfer the Parlor, the Premises, this Agreement or any of its rights or obligations hereunder, or suffer or permit any such Transfer of the Parlor, the Premises, this Agreement or its rights or obligations hereunder to occur by operation of law or otherwise without the prior written consent of Franchisor. In addition, if Franchisee is an Entity, its Owners may not Transfer their equity interests in such Entity, without the prior written consent of Franchisor. Furthermore, in the event that any Owner is an Entity, the interests of the shareholders, members, partners, beneficiaries, investors or other equity holders, as the case may be, in such Owner, may not be Transferred, without the prior written consent of Franchisor. Franchisor will not unreasonably withhold consent to a Transfer provided the requirements of Section 13.02 have been satisfied. Any Transfer in violation of this Section shall be void and of no force and effect.

13.02 Conditions for Approval. If Franchisor has not exercised its right of first refusal under Section 13.05, Franchisor will not unreasonably withhold its approval of a Transfer that meets all of the reasonable restrictions, requirements and conditions Franchisor may impose on the Transfer, the transferor(s) and/or the transferee(s), including the following:

(a) Franchisee and its Owners and Affiliates must be in compliance with the provisions of this Agreement and all other agreements with Franchisor or any of its Affiliates and have paid all outstanding amounts owed thereto, as well as to the approved suppliers to the System;

(b) The transferee shall demonstrate to Franchisor's satisfaction that the terms of the proposed transfer do not place an unreasonable financial or operational burden on the transferee, and that the transferee (or, if the transferee is other than an individual, such owners of beneficial interests in the transferee as Franchisor may request) meets Franchisor's then-current application qualifications (which may include educational, managerial, socially responsible, and business standards, good moral character, business reputation, and credit rating); has the aptitude and ability to operate the Parlor and absence of conflicting interests; and has adequate financial resources and capital to operate the Parlor;

(c) The proposed transferee must enter into an agreement in writing to assume and perform all of Franchisee's duties and obligations hereunder and/or, as required by Franchisor, execute the form of franchise agreement then being offered to new System franchisees, and such other ancillary agreements required by Franchisor for the Parlor franchised hereunder, which agreements shall supersede this Agreement and its ancillary documents in all respects, and the terms of which may differ from the terms of this Agreement including, without limitation, higher and/or additional fees;

(d) The transferee (and, if the transferee is not an individual, the Principal Operator), shall, at the transferee's expense, successfully attend and successfully complete any training programs then in effect for operators upon such terms and conditions as Franchisor may reasonably require;

(e) Franchisee or the proposed transferee must pay Franchisor a transfer fee equal to the greater of (i) \$15,000, or (ii) reimbursement for all legal, accounting, training and other expenses incurred by Franchisor in connection with the Transfer;

(f) Franchisee and its Owners and Affiliates must, except to the extent limited or prohibited by applicable law, execute a general release, in form and substance satisfactory to Franchisor, of any and all claims against Franchisor and its Affiliates, stockholders, officers, directors, employees, agents, successors and assigns;

(h) The transferee of an Owner shall be designated as an Owner and each transferee who is designated an Owner shall enter into a written agreement, in a form satisfactory to Franchisor, agreeing to be bound as an Owner under the terms of this Agreement as long as such person or entity owns any interest in Franchisee. Additionally, the transferee and/or such owners of the transferee as Franchisor may request shall guarantee the performance of the transferee's obligations in writing in a form satisfactory to Franchisor;

(i) If Franchisee (or any of its Owners or Affiliates) finances any part of the sale price of the transferred interest, Franchisee and/or such Owners or Affiliates must agree that all obligations of the transferee, and security interests reserved by any of them in the assets transferred, will be subordinate to the transferee's obligations to pay all amounts due Franchisor and its Affiliates; and

(j) If so requested by Franchisor, Franchisee, at its expense, shall upgrade the Parlor and all equipment of the Parlor to conform to the then-current standards, specifications and requirements

of new Clementine's Parlors then being established in the System, and shall complete the upgrading and other requirements within the time specified by Franchisor; and

(k) The transferor shall remain liable for all of the obligations to Franchisor in connection with the Parlor that arose prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by Franchisor to evidence such liability.

13.03 Special Transfers. Neither Section 13.05 nor Section 13.02(e) shall apply to any Transfer to an Entity formed solely for the convenience of ownership, or among any of Franchisee's then-current Owners.

13.04 Death or Disability of Franchisee. Upon Franchisee's death or permanent disability, or the death or permanent disability of the Operating Partner or an Owner of a controlling interest in Franchisee, the executor, administrator or other personal representative of such person shall transfer his or her interest in this Agreement or his or her interest in Franchisee to a third party approved by Franchisor in accordance with all of the applicable provisions of Section 13 within a reasonable period of time, not to exceed six (6) months from the date of death or permanent disability.

13.05 Franchisor's Right of First Refusal. If Franchisee or any of its Owners desire to consummate a Transfer, Franchisee or such Owner must obtain a *bona fide*, executed written offer from a responsible and fully disclosed purchaser and must deliver immediately to Franchisor a complete and accurate copy of such offer. If the offeror proposes to buy any other property or rights from Franchisee or any of its Owners or Affiliates (other than rights with respect to other Clementine's Parlors or an ownership interest therein) as part of the *bona fide* offer, the proposal for such property or rights must be set forth in a separate, contemporaneous offer that is fully disclosed to Franchisor, but which will not be part of this right of first refusal.

Franchisor has the option, exercisable by notice delivered to Franchisee or its Owners, as applicable, within thirty (30) days from the date of delivery of a complete and accurate copy of such offer to Franchisor, to purchase such interest for the price and on the terms and conditions contained in such offer, provided that: (a) Franchisor may substitute cash for any form of payment proposed in such offer; (b) Franchisor's credit shall be deemed equal to the credit of any proposed purchaser; and (c) Franchisor will have not less than ninety (90) days from the option exercise date to consummate the transaction. Franchisor has the right to investigate and analyze the Parlor, assets and liabilities and all other matters it deems necessary or desirable in order to make an informed investment decision with respect to the fairness of the terms of the transaction triggering the right of first refusal. Franchisor may conduct such investigation and analysis in any manner it deems reasonably appropriate, and Franchisee and its Owners must cooperate fully with Franchisor in connection therewith.

If Franchisor exercises its option to purchase, Franchisor is entitled to purchase such interest subject to all representations and warranties, closing documents and indemnities as are customary for a transaction of this type. If Franchisor does not exercise its option to purchase, Franchisee or its Owners, as applicable, may complete the sale to such offeror pursuant to and on the exact terms of such offer, subject to Franchisor's approval of the Transfer as provided in Sections 13.01 and 13.02, provided that if the sale to such offeror is not completed within ninety (90) days after delivery of such offer to Franchisor, or if there is a material change in the terms of the offer, Franchisee or such Owners, as applicable, must promptly notify Franchisor, which will have an additional option to purchase (on the terms of the revised offer, if any, and otherwise as set forth herein) during the thirty (30)-day period following such notification of the expiration of the ninety (90)-day period or the material change to the terms of the offer.

13.06 Intentionally Omitted.

13.07 Transfer by Franchisor. This Agreement may be unilaterally assigned by Franchisor and shall inure to the benefit of its successors and assigns. Franchisee agrees and affirms that Franchisor may sell itself, its assets, the Marks and/or the System to a third-party; may go public; may engage in private placement of some or all of its securities; may merge, acquire other Entities, or be acquired by another Entity; and/or may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring. Franchisee further agrees and affirms that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or noncompetitive franchise network, chain or any other Parlor regardless of the location of that chain's or Parlor's facilities, and to operate, franchise or license those Parlors and/or facilities as Clementine's Parlors operating under the Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of these facilities, which Franchisee acknowledges may be proximate to the Parlor. With regard to any of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from or related to the loss of Franchisor's name, the Marks (or any variation thereof) and the System and/or the loss of association with or identification of Franchisor under this Agreement.

14. TERMINATION OF AGREEMENT.

14.01 Termination by Franchisee. Franchisee may terminate this Agreement if Franchisee is in substantial compliance with this Agreement and Franchisor materially breaches this Agreement and fails to cure such material breach within ninety (90) days after written notice thereof is delivered to Franchisor. Notwithstanding the foregoing, if the breach is curable but is of a nature that cannot reasonably be cured within such ninety (90) day period and Franchisor has commenced and is continuing to make good faith efforts to cure such breach, Franchisor shall be given an additional sixty (60) day period to cure the same, and this Agreement shall not terminate. In the event of termination by Franchisee, all post-termination obligations of Franchisee described herein shall not be waived but shall be strictly adhered to by Franchisee.

14.02 Termination by Franchisor without a Cure Period. Franchisor may immediately terminate this Agreement upon written notice to Franchisee, without opportunity to cure, if:

(a) Franchisee files a petition under any bankruptcy or reorganization law, becomes insolvent, or has a trustee or receiver appointed by a court of competent jurisdiction for all or any part of its property;

(b) Franchisee seeks to effect a plan of liquidation, reorganization, composition or arrangement of its affairs, whether or not the same shall be subsequently approved by a court of competent jurisdiction; it being understood that in no event shall this Agreement or any right or interest hereunder be deemed an asset in any insolvency, receivership, bankruptcy, composition, liquidation, arrangement or reorganization proceeding;

(c) Franchisee has an involuntary proceeding filed against it under any bankruptcy, reorganization, or similar law and such proceeding is not dismissed within sixty (60) days thereafter;

(d) Franchisee makes a general assignment for the benefit of its creditors;

(e) Following commencement of the operation of the Parlor, Franchisee abandons the Parlor, or ceases to operate the Parlor for more than three (3) consecutive Parlor days, or five (5) individual days in any twelve (12) month period, without Franchisor's prior written consent;

(f) Franchisee or any of the Owners are convicted of or plead no contest to a felony, a crime involving moral turpitude or any other crime or offense that is likely to adversely affect the reputation of the System and the goodwill associated with the Marks;

(g) Franchisee operates the Parlor in a manner that presents a health or safety hazard to Franchisee's customers, employees or the public;

(h) Franchisee makes a material misrepresentation to Franchisor before or after being granted the franchise or knowingly maintains false books and records;

(i) Franchisee, any Owner or any other Person makes an unauthorized Transfer of this Agreement, the franchise, the Parlor or an ownership interest in Franchisee or Franchisee's Owners;

(j) Franchisee or any Restricted Party breaches or fails to comply fully with Section 7 above;

(k) Franchisee (i) misuses or makes an unauthorized use of or misappropriates any Mark, (ii) commits any act which can be reasonably expected to materially impair the goodwill associated with any Mark, (iii) challenges Franchisor's ownership of any Mark or (iv) files a lawsuit involving any Mark without Franchisor's consent;

(l) The Parlor or the Premises is seized, taken over or foreclosed by a government official in the exercise of his or her duties, or seized, taken over or foreclosed by a creditor, lienholder or lessor, a final judgment against Franchisee remains unsatisfied for thirty (30) days (unless a supersedeas or other appeal bond has been filed), or a levy of execution has been made upon the license granted by this Agreement or any property used in the franchised Parlor or the Parlor, and it is not discharged within five (5) days of such levy;

(m) Franchisee fails to comply with all applicable laws and ordinances relating to the Parlor, including Anti-Terrorism Laws, or if Franchisee's or any of its Owner's assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or Franchisee or any of its Owners otherwise violate any such law, ordinance, or regulation;

(n) Franchisee fails to comply with any law or regulation, or obtain required permit or license, within fifteen (15) days after notice;

(o) Franchisee underreports any of Net Sales during any period by more than five percent (5%), or by more than two percent (2%) three (3) or more times within any eighteen (18) month period;

(p) Franchisee, after curing a default pursuant to the terms of this Agreement, commits any default again in any twelve (12) month period, whether or not cured after notice;

(q) Franchisee commits more than two (2) of the same default under this Agreement during the Term, whether or not each such default has been cured after notice (this provision in no way limits subsection (p) above); or

(r) Franchisee breaches any material provision of this Agreement which breach is not susceptible to cure.

14.03 Termination by Franchisor with a Cure Period; Cross Default.

(A) 30-Day Cure Period. In addition to, and without limiting, the termination rights of Franchisor pursuant to Section 14.02 above and Section 14.03(B) below, after any other default by Franchisee, Franchisor may give written notice of default stating the nature of the default to Franchisee. If any such default is not cured within thirty (30) days, or such longer period as applicable law may require, Franchisor shall have the right to terminate this Agreement upon notice to Franchisee, including without limitation, with respect to the following defaults:

- (a) Failure or refusal to submit financial statements, reports or other operating data, information or supporting records to Franchisor when due;
- (b) Failure to attend or require Personnel to attend any required training programs;
- (c) Failure to provide or maintain required insurance coverage;
- (d) Failure of Franchisee and/or the Operating Partner and/or Parlor Manager, if applicable, or other required Owners or Personnel, to complete the initial training program within the deadlines set forth in Section 4.01 to Franchisor's satisfaction, in its sole discretion, except for any delay that is agreed to in writing by Franchisor, in its sole discretion;
- (e) Failure of Franchisee to commence operation of the Parlor at the Premises by the Required Opening Date, except for any delay that is agreed to in writing by Franchisor, in its sole discretion; or
- (f) Failure to comply with any other provision of this Agreement, the Operations Manual or any mandatory specification, standard or operating procedure prescribed by Franchisor.

(B) 15-Day Cure Period. In addition to, and without limiting, the termination rights of Franchisor pursuant to Sections 14.02 and 14.03(A) above, after any other default by Franchisee, Franchisor may give written notice of default stating the nature of the default to Franchisee. If any such default is not cured within fifteen (15) days, or such longer period as applicable law may require, Franchisor shall have the right to terminate this Agreement upon notice to Franchisee, including without limitation, with respect to the following defaults:

- (a) Franchisee fails to pay when due any amount owed to Franchisor or its Affiliates, whether under this Agreement or not, and Franchisee does not correct such failure within fifteen (15) days after written notice thereof is delivered to Franchisee; or
- (b) Franchisee fails to pay when due any amount owed to any creditor, lessor, supplier or vendor of the Parlor or the Premises or any taxing authority for federal, state or local taxes (other than amounts being bona fide disputed through appropriate proceedings) and Franchisee does not correct such failure within fifteen (15) days after written notice is delivered thereof to Franchisee.

(C) Cross Default. Any default by Franchisee (or any Affiliate of Franchisee) under any other agreement, including, but not limited to any Area Development Agreement, Expansion Option Agreement, lease, and/or sublease, between Franchisor (or any Affiliate of Franchisor) and Franchisee (or any Affiliate of Franchisee) which continues past any applicable cure period may be regarded by Franchisor as a default under this Agreement. Any default by Franchisee under any real estate lease or loan agreement (whether with Franchisor or any third party) which continues past any applicable cure period may be regarded by Franchisor as a default under this Agreement. In each of the foregoing cases, Franchisor will have all remedies allowed at law, including termination of Franchisee's rights and Franchisor's obligations. No right or remedy which Franchisor may have (including termination) is exclusive of any other right or remedy provided under law or equity and Franchisor may pursue any rights and/or remedies available.

14.04 Right of Franchisor to Discontinue Services to Franchisee.

If Franchisee is in breach of any obligation under this Agreement, and Franchisor delivers to Franchisee a notice of default or termination pursuant to this Section 14, Franchisor has the right to suspend its performance of any of its obligations under this Agreement including, without limitation, the sale or supply of any services or products for which Franchisor is an approved supplier to Franchisee, until such time as Franchisee cures the breach.

14.05 Franchisor's Cure Right.

If Franchisee breaches any provision of this Agreement, Franchisor shall have the right, but not the obligation, to take such action as Franchisor deems appropriate to cure the breach. Franchisee shall reimburse Franchisor on demand for all costs and expenses incurred by Franchisor in connection with such cure or attempt to cure

15. RENEWAL RIGHTS.

15.01 Right To Acquire a Successor Franchise. Franchisee has the right, subject to the conditions contained in this Section 15, to acquire a successor franchise for the Parlor for up to two (2) additional five (5) year terms on the terms and conditions of the then-current form of franchise agreement for Clementine's Parlors, if upon expiration of the applicable Term: (a) Franchisee and its Owners and Affiliates are in compliance with this Agreement and any other agreements with Franchisor or any of its Affiliates, and Franchisee and its Owners have been in substantial compliance with this Agreement throughout the Term; (b) Franchisor has not notified Franchisee of its decision that any federal or applicable state legislation, regulation or rule, which is enacted, promulgated or amended after the date hereof, may have an adverse effect on Franchisor's rights, remedies or discretion in franchising Clementine's Parlors such that it creates an unreasonable or overly burdensome requirement on Franchisor's ability to continue to offer franchises in such location; and (c) the following additional conditions have been met: (i) Franchisee maintains the right to possession of the Premises for the term of the successor franchise agreement; (ii) Franchisee maintains all permits and licenses necessary to operate the Parlor; (iii) Franchisee is current in all obligations to Franchisor and its Affiliates, and System lessors, vendors and suppliers; (iv) if required by Franchisor, Franchisee enters into an agreement with Franchisor whereby Franchisee agrees within a specified time period (not to exceed six (6) months), to send required Personnel, at Franchisee's expense, to such training programs established and required by Franchisor; and (v) Franchisee meets or exceeds Franchisor's then-current sales and/or profitability standards. Upon the exercise of the right to acquire a successor franchise, Franchisor may require Franchisee to pay to Franchisor a renewal fee of \$5,000 at the time of renewal.

Franchisee's acquisition of a successor franchise is further conditioned on Franchisee refurbishing the premises of the Parlor at Franchisee's expense to conform the Parlor to the then-current image for new Parlors, including, without limitation, with respect to trade dress, color schemes and presentation of the Marks ("Refurbishments"). Refurbishments may include structural changes, installation of new equipment and signs, remodeling, redecoration and modifications to existing improvements. Refurbishments are intended to be large-scale re-equipping, refurbishing and remodeling of the Parlor, and nothing contained in this Section 15.01 will limit Franchisee's other obligations under this Agreement or the Operations Manual.

15.02 Notices. Franchisee must give Franchisor written notice of its desire to acquire a successor franchise not less than six (6) months nor more than nine (9) months prior to the expiration of the then applicable term. Notwithstanding any notice or communication of Franchisor to Franchisee that Franchisee has the right to acquire a successor franchise for the Parlor, Franchisee's right will be subject to its continued

compliance with all the provisions of this Agreement up to the date of its expiration. The written notice must include a plan to Franchisor outlining the Refurbishments that Franchisee plans to undertake prior to the expiration of this Agreement. Each such plan must be approved by Franchisor prior to Franchisee commencing any Refurbishments.

15.03 Agreements. If Franchisee has the right to acquire a successor franchise in accordance with Section 15.01 and states its desire to exercise that right in accordance with Section 15.02, Franchisor and Franchisee (and its Owners) will execute the form of franchise agreement (which may contain provisions, including royalty fees, materially different from those contained herein) and all ancillary agreements (including, personal guarantees by Franchisee's Owners on such terms as Franchisor determines to be appropriate) which Franchisor then customarily uses in granting franchises for the operation of Clementine's Parlors (collectively, the "New Agreements"), and Franchisee and its Owners must execute general releases, in form and substance satisfactory to Franchisor, of any and all claims against Franchisor, and its Affiliates, officers, directors, managers, employees, agents, successors and assigns. Failure by Franchisee (and its Owners) to sign such agreements and releases within thirty (30) days after delivery to Franchisee shall be deemed an election by Franchisee not to acquire a successor franchise for the Parlor.

15.04 Expiration. Any successor franchise shall be conditioned upon the satisfaction of the conditions set forth above in this Section. Upon the expiration of the Term, any renewal term will be governed by the New Agreements. If Franchisee fails to meet any of the conditions set forth this section above, the franchise granted to Franchisee hereunder shall automatically expire at the end of the Term.

16. EFFECT OF TERMINATION OR EXPIRATION.

16.01 Payment of Amounts Owed. Within ten (10) days after the effective date of termination or expiration (without Franchisee's successful exercise of the right to acquire a successor franchise) of this Agreement, Franchisee must pay Franchisor and its Affiliates all amounts owed thereto, including, without limitation, unpaid Royalty Fees, Brand Fund Contributions, Technology Fees, amounts owed for purchases from Franchisor or its Affiliates, and all other amounts due to Franchisor or its Affiliates and interest and late fees due on any of the foregoing. In the event of termination for any default of Franchisee, such sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of the default and termination.

16.02 Discontinue Use of Marks and Confidential Information. Upon the termination or expiration (without Franchisee's successful exercise of the right to acquire a successor franchise) of this Agreement, Franchisee and its Owners will:

(a) Promptly, and in no event more than three (3) days after the termination or expiration of this Agreement, provide to Franchisor any and all information Franchisor requests regarding products or services to be provided by Franchisee or the Parlor after the date of expiration or termination, and at Franchisor's option, Franchisee will either (i) pay to Franchisor any amounts it has received from customers for products or services to be provided after the date of termination or expiration, and assign to Franchisor or its designee any contracts or related agreements to such products or services, or (ii) return such amounts to customers directly as well as any termination fees or penalties under such contracts. Nothing herein will obligate Franchisor to take assignment of any obligations of Franchisee under any such contracts or relieve Franchisee of any liability for its obligations to customers or third parties after the termination or expiration of this Agreement;

(b) promptly return to Franchisor all material furnished by Franchisor containing proprietary or confidential information, operating instructions, business practices, or methods or procedures, including, without limitation, the Operations Manual;

(c) discontinue all use of the Marks, including at the Premises and on any vehicle, and the use of any and all signs, products, equipment and other items bearing the Marks. Any signs containing the Marks that Franchisee is unable to remove within one (1) day of the termination or expiration of this Agreement shall be completely covered by Franchisee until the time of their removal, which shall be in any event within ten (10) days following the expiration or termination of this Agreement;

(d) at the option of Franchisor, assign to Franchisor any interest which Franchisee has in any lease or sublease for the Premises if Franchisee leases a location for the Parlor. In the event Franchisor does not elect to exercise its option to acquire the lease or sublease for the Premises, Franchisee must, at Franchisee's expense, make such reasonable modifications to the exterior and interior décor of the Parlor and the Premises, and with respect to any vehicles, as Franchisor requires to eliminate its identification as a Clementine's Parlor. If Franchisee fails to modify the exterior and interior décor of the Parlor, the Premises, and vehicles, as Franchisor requires to eliminate its identification as a Clementine's Parlor, Franchisor may take such action to modify the exterior and interior décor of the Parlor and the Premises and charge Franchisee for the cost of such action. Franchisee shall immediately pay Franchisor for the cost of any action taken by Franchisor to modify the exterior and interior décor of the Parlor and the Premises;

(e) refrain from operating or doing business under any name or in any manner that may give the general public the impression that this Agreement is still in force or that Franchisee is connected in any way with Franchisor or that Franchisee has the right to use the System or the Marks, and Franchisee, shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former operator of Franchisor in connection with the promotion or operation of any other business;

(f) refrain from making use of or availing itself to any of the Confidential Information, Operations Manual, any confidential methods, procedures, and techniques associated with the System, and other information received from Franchisor or disclosing or revealing any of the same in violation of Section 7 hereof;

(g) take such action as may be required to cancel all assumed names or equivalent registrations relating to the use of any Mark;

(h) discontinue all use of the Email Address, and any and all online and social media listings and accounts;

(i) assign to Franchisor or its designee all of Franchisee's rights, title, and interest in and to the telephone numbers, telephone directory listings and advertisements, website URLs, social media accounts, e-mail addresses, store leases and governmental licenses or permits used for the operation of the Parlor. Franchisee hereby authorizes Franchisor to instruct issuers of any telephone and internet domain name services, and other providers to transfer any such telephone numbers, domain names, websites, addresses, and any other identifiers to Franchisor upon termination of this Agreement, without need for any further approval from Franchisee. Without limiting the foregoing, Franchisee hereby agrees to execute a Telephone Number Assignment and Power of Attorney form attached to this Agreement as Exhibit F in order to implement this section; and

(j) strictly comply with the terms and conditions of Section 7 above and any other procedures in the Operations Manual that are established by Franchisor related to discontinuing operations of the Parlor.

16.03 Option to Purchase the Parlor. Upon termination or expiration (without Franchisee's successful exercise of the right to acquire a successor franchise) of this Agreement, Franchisor shall have the option, to be exercised within thirty (30) days after termination or expiration of this Agreement, to purchase from Franchisee any or all of the furnishings, equipment, signs, fixtures, supplies, or inventory of Franchisee related to the operation of the Parlor with respect to which this Agreement is terminated or expires in part, at the lesser of (i) Franchisee's cost or (ii) fair market value. The cost for such items shall be determined based upon a five-year straight-line depreciation of original costs. For equipment that is five (5) or more years old, the parties agree that fair market value shall be deemed to be ten percent (10%) of the equipment's original cost. If Franchisor elects to exercise any option to purchase herein provided, it shall have the right to set off all amounts due from Franchisee.

16.04 Continuing Obligations. The expiration and termination of this Agreement will be without prejudice to the rights of Franchisor against Franchisee. All obligations under this Agreement which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect until they are satisfied in full or by their nature expire.

16.05 Liquidated Damages. Upon termination of this Agreement by reason of a default by Franchisee, Franchisee agrees to pay to Franchisor within fifteen (15) days after the effective date of termination, in addition to the amounts owed hereunder, liquidated damages equal to the average monthly Royalty Fees, Brand Fund Contributions, Technology Fees, and other amounts Franchisee paid or owed to Franchisor related to the Parlor during the 12 months of operation preceding the effective date of termination (provided that if the Parlor was not open during this entire 12-month period, Franchisor may use the average amount of such fees paid to Franchisor by franchisees in the System during such time period, or the Minimum Royalty, whichever is greater), multiplied by the lower of (a) 36 (being the number of months in three full years), or (b) the number of months remaining in the Term of this Agreement had it not been terminated, whichever is lower.

The parties hereto acknowledge and agree that it would be impracticable to determine precisely the damages Franchisor would incur from this Agreement's termination and the loss of cash flow due to, among other things, the complications of determining what costs, if any, Franchisor might have saved and how much the fees would have grown over what would have been this Agreement's remaining term. The parties hereto consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages, and not a penalty.

The liquidated damages provision only covers Franchisor's damages from the loss of cash flow from specific listed fees. It does not cover any other damages, including damages to Franchisor's reputation with the public and landlords and damages arising from a violation of any provision of this Agreement. Franchisee and each of its Owners agree that the liquidated damages provision does not give Franchisor an adequate remedy at law for any default under, or for the enforcement of, any provision of this Agreement other than the sections requiring payment of Royalty Fees, Brand Fund Contributions, and Technology Fees.

17. RELATIONSHIP OF THE PARTIES.

17.01 Independent Contractors.

(a) Neither this Agreement nor the dealings of the parties pursuant to this Agreement shall create any fiduciary relationship or any other relationship of trust or confidence between the parties hereto. Franchisor and Franchisee, as between themselves, are and shall be independent contractors. Nothing contained in this Agreement, or arising from the conduct of the parties hereunder, is intended to make either party a general or special agent, joint venturer, joint employer, partner or employee of the other for any purpose whatsoever. Franchisee must conspicuously identify itself in all dealings with customers, lessors, contractors, suppliers, public officials, employees and others as the owner of the Parlor and must place such other notices of independent ownership on such forms, business cards, stationery, advertising and other materials as Franchisor may require from time to time. Franchisee may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in Franchisor's name or on Franchisor's behalf or represent that the relationship of the parties hereto is anything other than that of independent contractors. Franchisor will not be obligated by or have any liability under any agreements made by Franchisee with any third party or for any representations made by Franchisee to any third party. Franchisor will not be obligated for any damages to any person or property arising directly or indirectly out of the operation of Franchisee's business hereunder.

(b) If applicable law shall imply a covenant of good faith and fair dealing in this Agreement, the parties hereto agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. Additionally, if applicable law shall imply such covenant, the parties acknowledge and agree that (i) this Agreement (and the relationship of the parties which arises from this Agreement) grants Franchisor the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisee's explicit rights and obligations hereunder that may affect favorably or adversely Franchisee's interests; (ii) Franchisor will use its judgment in exercising such discretion based on its assessment of its own interests and balancing those interests against the interests of the owners of Clementine's Parlors generally (including Franchisor's Affiliates and other franchisees and licensees), and specifically without considering Franchisee's individual interests or the individual interests of any other particular franchisee; (iii) Franchisor will have no liability to Franchisee for the exercise of its discretion in this manner so long as such discretion is not exercised in bad faith toward Franchisee; and (iv) in the absence of such bad faith, no trier of fact in any legal action or arbitration proceeding shall substitute its judgment for Franchisor's judgment so exercised.

(c) During the Term, Franchisee agrees as follows:

(i) Franchisee has no authority to employ or engage persons on behalf of Franchisor, and NO EMPLOYEES, INDEPENDENT CONTRACTORS OR AGENTS OF FRANCHISEE SHALL BE DEEMED TO BE EMPLOYEES, INDEPENDENT CONTRACTORS OR AGENTS OF FRANCHISOR, EACH OF WHICH SHALL AT ALL TIMES REMAIN FRANCHISEE'S EMPLOYEES, INDEPENDENT CONTRACTORS OR AGENTS, AS APPLICABLE. SUBJECT TO THE TERMS OF THIS AGREEMENT, FRANCHISEE HAS SOLE AND EXCLUSIVE CONTROL OVER ITS LABOR AND EMPLOYEE RELATIONS POLICIES, AND ITS POLICIES RELATING TO WAGES, HOURS, SCHEDULING AND WORKING CONDITIONS OF ITS EMPLOYEES. FRANCHISEE HAS THE SOLE AND EXCLUSIVE RIGHT TO HIRE, TRANSFER, SUSPEND, LAY OFF, RECALL, PROMOTE, ASSIGN, DISCIPLINE AND DISCHARGE ITS EMPLOYEES AND TO RESPOND TO EMPLOYEE GRIEVANCES.

(ii) Franchisee is solely responsible for all salaries and other compensation of all its employees and will make all necessary salary deductions and withholdings from its employees' salaries and other compensation, and is solely responsible for the payment of any and all contributions, taxes and assessments and all other requirements of the Federal Social Security Administration, Federal and state unemployment compensation laws, Federal, state and local

withholding of income tax laws on all salary and other compensation of its employees and any other laws affecting the income or withholdings of employees' wages.

(iii) Franchisee will comply (and will cause its employees to comply) with all other Federal, state or local laws, ordinances, rules, or regulations regarding its employees, including, but not limited to, Federal or state laws or regulations regarding minimum compensation, overtime and equal opportunity for employment, the Federal Civil Rights Acts, Age Discrimination in Employment Act, the Federal Fair Labor Standards Act, the Americans With Disabilities Act and the Family Leave Act.

17.02 Indemnification. Franchisee agrees to indemnify Franchisor, its Affiliates and its and their respective directors, managers, officers, employees, shareholders, members, agents, successors and assigns (collectively "Indemnitees"), and to hold the Indemnitees harmless to the fullest extent permitted by law, from any and all Losses and Expenses (as defined below) incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether it is reduced to judgment) or any settlement thereof which arises directly or indirectly from, or as a result of, a claim of a third party against any one or more of the Indemnitees in connection with the development, ownership, operation or closing of the Parlor or Franchisee's breach of this Agreement, and regardless of whether it resulted from any strict or vicarious liability imposed by law on the Indemnitees, provided, however, that this indemnity will not apply to any liability arising from a breach of this Agreement by the Indemnitees or the gross negligence or willful acts of the Indemnitees (except to the extent that joint liability is involved, in which event the indemnification provided herein will extend to any finding of comparative or contributory negligence attributable to Franchisee). For purposes hereof "Losses and Expenses" includes obligations, damages (actual, consequential or otherwise) and costs reasonably incurred in the defense of any claim against any of the Indemnitees, including, without limitation, reasonable accountants', arbitrators', attorneys' and expert witness fees. Franchisor agrees to give Franchisee reasonable notice of any event of which Franchisor becomes aware for which indemnification may be required. Franchisor has the exclusive right to defend any such claim. This indemnity will continue in effect after the expiration or termination of this Agreement.

17.03 Taxes. Franchisee shall promptly pay when due all taxes levied or assessed by reason of its operation and performance under this Agreement including, but not limited to, if applicable, state employment tax, state sales tax (including any sales or use tax on equipment purchased or leased) and all other taxes and expenses of operating the Parlor. In no event shall Franchisee permit a tax sale or seizure by levy or execution or similar writ or warrant to occur against the Parlor, the Premises or any tangible personal property used in connection with the operation of the Parlor.

18. DISPUTE RESOLUTION.

18.01 Injunctive Relief and Attorneys' Fees. Franchisor and Franchisee will each be entitled to the entry of temporary restraining orders and temporary and permanent injunctions: (i) against conduct or threatened conduct which could materially impair the goodwill associated with Franchisee or Franchisor's business, for which no adequate remedy at law may be available, or which may otherwise cause a party irreparable harm, including without limitation to enforce Sections 7.01, 7.02, 7.03, 7.04, 13.01, 13.02(i), 13.05, 16.02 and 16.03; (ii) to prevent or remedy a breach of this Agreement if that breach could materially impair the goodwill associated with Franchisee or Franchisor's business, including but not limited to, the enforcement of obligations upon termination of this Agreement and the enforcement of the non-compete provisions of this Agreement; and (iii) in an ejectment action or for possession of any interest in real or personal property. Franchisor and Franchisee will also be entitled to the entry of temporary restraining orders and temporary and permanent injunctions enforcing these provisions. If Franchisor is successful in obtaining an injunction, or any other judicial relief or order from an arbitrator against Franchisee, or in

successfully defending any claim Franchisee has brought against Franchisor, Franchisee will pay Franchisor an amount equal to all of Franchisor's costs of prosecuting and defending the action, including reasonable attorneys' fees, costs of investigation, court and arbitration costs, and other litigation or arbitration expenses. Franchisor and Franchisee's respective rights to obtain injunctive or other equitable relief are in addition to any other right Franchisor or Franchisee may have under this Agreement. It will in no way limit or prohibit Franchisor from obtaining money damages from Franchisee if Franchisee breaches this Agreement.

18.02 Mediation. Except for the matters identified in Section 18.01 where Franchisor or Franchisee is permitted to seek injunctive relief without first mediating the dispute, all claims or disputes between, on the one hand, Franchisor, its Affiliates, or its and their respective owners, officers, directors, employees, agents or representatives, and, on the other hand, Franchisee, its Affiliates, or its and their respective owners, officers, directors, employees, agents or representatives, arising under, out of, in connection with, or in relation to this Agreement, the parties' relationship, the Parlor, or any of the parties' respective rights and obligations arising out of this Agreement must be submitted first to mediation prior to initiating an arbitration proceeding. Such mediation will take place in St. Louis, Missouri (or the city of Franchisor's then-current principal executive office, if different) under the auspices of the American Arbitration Association ("AAA"), in accordance with the AAA's Commercial Mediation Rules then in effect. Franchisee may not commence any formal legal action against Franchisor, its Affiliates, or its and their respective owners, officers, directors, employees, agents or representatives with respect to any such claim or dispute unless mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by Franchisor. Each party will bear its own costs of mediation and share equally the filing fee imposed by AAA and the mediator's fees. Franchisor reserves the right to specifically enforce its right to mediation. Prior to mediation and before commencing any legal action against Franchisor, its Affiliates, or any of its and their respective owners, officers, directors, employees, agents or representatives with respect to any such claim or dispute, Franchisee must submit a written notice to Franchisor specifying in detail the precise nature and grounds of such claim or dispute.

Except for the matters identified in Section 18.01 where Franchisor or Franchisee is permitted to seek injunctive relief without first mediating the dispute, if either party initiates litigation or arbitration without complying with its obligation to mediate in accordance with this paragraph (*unless the other party has indicated it will not engage in mediation in accordance with the provisions of this Section*), then upon petition of whichever of the parties has a lawsuit or arbitration proceeding brought against it, the court or arbitrator will dismiss the litigation or arbitration without prejudice, and award reasonable attorneys' fees and costs to the party seeking dismissal in an amount equal to the reasonable attorneys' fees and costs the party seeking dismissal incurred. If the court or arbitrator refuses for any reason to dismiss the action, then regardless of the outcome of the action, or of any award given in the action, the party initiating the litigation or arbitration will be responsible for all reasonable attorneys' fees and costs incurred throughout the litigation or arbitration by the other party as damages for failing to comply with the provisions of this Section.

18.03 Arbitration. If not resolved by mediation and except as qualified below, all controversies, disputes, or claims between, on the one hand, Franchisor, its Affiliates, and/or its and their respective owners, officers, directors, employees, agents or representatives and, on the other hand, Franchisee, its Affiliates, and/or its and their respective owners, officers, directors, employees, agents or representatives, arising out of or related to: (i) this Agreement or any other agreement between Franchisee (or its Affiliate or Owner(s)) and Franchisor (or its Affiliate) relating to the Parlor or any provision of any such agreements; (ii) Franchisor's relationship with Franchisee; (iii) the validity of this Agreement or any other agreement between Franchisee (or its Affiliate or Owner(s)) and Franchisor (or its Affiliate) relating to the Parlor, or

any provision of any such agreements, and the validity and scope of the arbitration obligation under this Section; or (iv) any standard, specification, or operating procedure relating to the Parlor, must be submitted for arbitration to the AAA. Except as otherwise provided in this Agreement, such arbitration proceedings will be heard by one (1) arbitrator in accordance with the then-existing Commercial Arbitration Rules of the AAA. All proceedings, including the hearing, will be conducted at a suitable location that is within twenty (20) miles of Franchisor's principal executive office at the time the arbitration demand is filed. The arbitrator will have no authority to select a different hearing locale other than as described in the prior sentence. All matters within the scope of the Federal Arbitration Act (9 U.S.C. Sections 1 et seq.) will be governed by it and not by any state arbitration law. The arbitrator has the right to award any relief deemed proper in the circumstances, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs (in accordance with Section 19.06 below), provided that: (i) the arbitrator has no authority to declare any Mark generic or otherwise invalid; and (ii) as provided in Section 18.06, the parties waive to the fullest extent that applicable law permits any right to or claim for any punitive, exemplary and treble damages. The arbitrator's award and decision will be conclusive and bind all parties covered by this Section, and judgment upon the award may be entered in a court specified or permitted in Section 18.04 below.

Franchisor and Franchisee shall be bound by any limitation under this Agreement or applicable law, whichever expires first, on the timeframe in which claims must be brought. Franchisor and Franchisee further agree that, in connection with any arbitration proceeding, each must submit or file any claim constituting a compulsory counterclaim (as defined by the then-current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim not submitted or filed in the proceeding will be forever barred. The arbitrator may not consider any settlement discussions or offers either Franchisor or Franchisee made. Franchisor reserves the right, but has no obligation, to advance Franchisee's share of the costs of any arbitration proceeding in order for the arbitration proceeding to take place and by doing so does not waive or relinquish Franchisor's right to seek recovery of those costs in accordance with Section 19.06 below. Unless this Agreement is terminated in accordance with the provisions herein, during the pendency of any arbitration proceeding, Franchisor and Franchisee will fully perform the requirements of this Agreement.

Franchisor and Franchisee agree that arbitration will be conducted on an individual basis and not in a class, consolidated, or representative action, that only Franchisor (and/or its Affiliates, and its and their respective owners, officers, directors, employees, agents or representatives) and Franchisee (and/or its Affiliates, and its and their respective owners, officers, directors, employees, agents or representatives) may be the parties to any arbitration proceeding described in this Section, and that no such arbitration proceeding may be consolidated or joined with another arbitration proceeding involving Franchisor and/or any other Person. Despite the foregoing or anything to the contrary in this Section or Section 19.08, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Section, then Franchisor and Franchisee agree that this arbitration clause will not apply to that dispute, and such dispute will be resolved in a judicial proceeding in accordance with Section 18 (excluding this Section 18.03). The provisions of this Section 18 will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. To the extent permitted by applicable law, no issue of fact or law may be given preclusive or collateral estoppel effect in any arbitration, except to the extent such issue may have been determined in another proceeding between the parties.

If there is any dispute as to whether a particular claim or matter is subject to arbitration, and the matter relates to an issue for which either party seeks an injunction in accordance with the provisions of Section 18.01, the arbitrability of the claim will be determined by the court that would otherwise hear the motion to issue the injunction. In the case of a dispute as to the arbitrability of any other claim brought by

either party against the other, the decision as to whether or not the claim is subject to arbitration will be made by the arbitrator appointed in accordance with this Agreement.

18.04 Jurisdiction and Venue. For actions that are not subject to mandatory arbitration under Section 18.03, FRANCHISEE HEREBY SUBMITS AND IRREVOCABLY CONSENTS TO THE EXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS FOR THE DISTRICT WHERE FRANCHISOR'S PRINCIPAL EXECUTIVE OFFICE IS LOCATED ON THE DATE OF THE FILING OF THE ACTION, AND AGREES NOT TO RAISE AND HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION BASED UPON *FORUM NON CONVENIENS* OR ANY OTHER OBJECTION IT MAY NOW HAVE OR HEREAFTER HAVE TO SUCH JURISDICTION OR VENUE. Franchisee acknowledges that this Agreement has been entered into in the State of Missouri, and Franchisee and/or its Personnel will receive valuable and continuing services emanating from the state where Franchisor's principal executive office is located. Further, nothing herein contained shall bar Franchisor's right to obtain injunctive relief against threatened conduct that will cause irreparable harm.

18.05 Waiver of Right to Jury Trial. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, THE PARTIES HERETO HEREBY WAIVE, AND COVENANT THAT THEY SHALL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT, OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING IN WHOLE OR IN PART UNDER OR IN CONNECTION WITH THIS AGREEMENT.

18.06 Damages and Timing of Claims. The parties agree that neither party shall have the right to receive or collect punitive, treble or exemplary damages from the other party. Any and all claims and actions arising out of or relating to this Agreement, the relationship between Franchisee and Franchisor, or the operation of the franchise and the Parlor brought by Franchisee, the Owners or the Restricted Parties against Franchisor shall be commenced within one (1) year from the discovery of the facts giving rise to any such claim or action, or such claim or action shall be barred. The parties understand that such time limit may be shorter than otherwise allowed by law. Franchisee, the Owners and the Restricted Parties agree that their sole recourse for claims arising between the parties shall be against Franchisor and its successors and assigns. Franchisee, the Owners and the Restricted Parties agree that the owners, directors, managers, officers, employees and agents of Franchisor and its Affiliates shall not be personally liable nor named as a party in any action between Franchisor and Franchisee, Franchisee's Affiliate, and/or any Owner or Restricted Party.

19. MISCELLANEOUS.

19.01 Successors and Third-Party Beneficiaries. This Agreement and the covenants, restrictions and limitations contained herein shall be binding upon and shall inure to the benefit of Franchisor and its successors and assigns and shall be binding upon and shall inure to the benefit of Franchisee and its permitted heirs, successors and assigns. Except as contemplated by Section 17.02, nothing in this Agreement is intended, nor is deemed, to confer any rights or remedies upon any Person not a party hereto, *provided that* Franchisor's Affiliates and their respective owners, officers, directors, agents, and employees are express third-party beneficiaries of this Agreement, each having authority to specifically enforce the right to mediate/arbitrate Franchisee's claims asserted against such person(s). Further, this Agreement is intended to bind the Restricted Parties to the extent set forth in this Agreement.

19.02 Construction. All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, and any other gender, as the context or sense of this Agreement or any provision hereof may require, as if such words had been fully and properly written in the appropriate number and gender. All covenants, agreements and

obligations assumed herein by Franchisee shall be deemed to be joint and several covenants, agreements and obligations of each of the Persons named as Franchisee, if more than one (1) Person is so named. Except where this Agreement expressly obligates Franchisor not to unreasonably withhold its approval of any of Franchisee's actions or requests, Franchisor has the absolute right, in its sole and arbitrary discretion, to refuse any request Franchisee makes or to withhold its approval of any of Franchisee's proposed or effected actions that require Franchisor's approval.

19.03 Interpretation and Headings. The parties agree that this Agreement should be interpreted according to its fair meaning. Franchisee waives to the fullest extent possible the application of any rule that would construe ambiguous language against Franchisor as the drafter of this Agreement. The words "include," "includes" and "including" when used in this Agreement will be interpreted as if they were followed by the words "without limitation". References to section numbers and headings will refer to sections of this Agreement unless the context indicates otherwise. Captions and section headings are used herein for convenience only. They are not part of this Agreement and shall not be used in construing it.

19.04 Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act; 15 U.S.C. § 1050 et seq.), as amended, or the United States Arbitration Act (9 U.S.C. § 1 et seq.), this Agreement will be governed by the laws of the State of Missouri without regard to its conflicts of laws provisions. If there is a statute in the state in which the business franchised hereunder is located that specifically governs relationships between franchisees and franchisors, then that particular law will apply.

19.05 Notices. Whenever notice is required or permitted to be given under the terms of this Agreement, it shall be given in writing, and be delivered personally, by certified, express or registered mail, or by an overnight delivery service, postage prepaid, addressed to the party to be notified at the respective address first above written, or at such other address or addresses as the parties may from time to time designate in writing. Notices shall be deemed delivered on the date shown on the return receipt or in the delivery service's records as the date of delivery or on the date of first attempted delivery, if actual delivery cannot for any reason be made.

19.06 Costs and Attorneys' Fees. If Franchisor incurs any expenses in connection with Franchisee's failure to pay any amounts it owes when due, submit any required reports when due or otherwise comply with this Agreement, Franchisee agrees to reimburse Franchisor for any of the costs and expenses that Franchisor incurs, including, without limitation, reasonable accounting, attorneys', arbitrators' and related fees.

19.07 Waiver. No waiver, delay, omission or forbearance on the part of Franchisor to exercise any right, option, duty or power arising from any default or breach by Franchisee shall affect or impair the rights of Franchisor with respect to any subsequent default of the same or a different kind; nor shall any delay or omission of Franchisor to exercise any right arising from any such default affect or impair Franchisor's rights as to such default or any future default. However, Franchisee agrees that it will give Franchisor immediate written notice of any claimed breach or violation of this Agreement promptly upon having knowledge, or determining, or is of the opinion, that there has been a breach or violation by Franchisor of this Agreement. If Franchisee fails to give written notice to Franchisor of any claimed misrepresentation, violation of law, or breach of this Agreement within one (1) year from the date it has knowledge, determines, is of the opinion, or becomes aware of facts and circumstances reasonably indicating, that Franchisee may have a claim against Franchisor or against any of its Affiliates under any state law, federal law, or common law, then the misrepresentation, violation of law, or breach will be considered to have been condoned, approved and waived by Franchisee, and Franchisee will be barred from beginning any legal, arbitration, or other action against Franchisor or against its affiliates, or from instituting any counterclaim against Franchisor or its affiliates, for the misrepresentation, violation of law,

or breach, or from using the alleged act or omission as a defense to any action Franchisor may maintain against Franchisee.

19.08 Severability. If any term, restriction or covenant of this Agreement is deemed invalid or unenforceable, all other terms, restrictions and covenants and the application thereof to all Persons and circumstances subject hereto shall remain unaffected to the extent permitted by law; and if any application of any term, restriction or covenant to any Person or circumstance is deemed invalid or unenforceable, the application of such term, restriction or covenant to other Persons and circumstances shall remain unaffected to the extent permitted by law.

19.09 Force Majeure. Neither Franchisor nor Franchisee will be liable for loss or damage or deemed to be in breach of this Agreement if Franchisor's or Franchisee's failure to perform any obligation results from: (a) transportation shortages, inadequate supply of equipment, products, supplies, labor, material or energy or the voluntary foregoing of the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations or instructions of any federal, state or municipal government or any department or agency thereof; (b) acts of God; (c) fires, strikes, embargoes, wars or riots; or (d) any other similar event or cause beyond the control of the affected party. Any delay resulting from any of said causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that said causes will not excuse payments of amounts owed by Franchisee to Franchisor hereunder.

19.10 Delegation by Franchisor. Franchisor shall have the right to delegate performance of any or all of its obligations and duties hereunder. Franchisee hereby agrees to any such delegation.

19.11 No Right of Set Off. Franchisee agrees that it will not set off or withhold payment of any amounts it owes Franchisor on the grounds of Franchisor's alleged nonperformance of any of Franchisor's obligations under this Agreement or for any other reason. Franchisee agrees that all such claims will, if not otherwise resolved, be submitted to arbitration as provided in Section 18.03.

19.12 Cumulative Rights. The rights granted hereunder are cumulative, and no exercise or enforcement by either party of any right or remedy hereunder will preclude the exercise or enforcement of any other right or remedy to which either Franchisor or Franchisee is entitled.

19.13 Entire Agreement; Modification. This Agreement and any addendum, schedule or exhibit attached hereto contains the entire agreement between the parties hereto relating to the operation of the Parlor, and no representations, inducements, promises, agreements, arrangements or undertakings, oral or written, have been made or relied upon by the parties other than those set forth herein. No agreement altering, changing, waiving or modifying any of the terms and conditions of this Agreement shall be binding upon either party unless and until the same is made in writing and executed by all interested parties. Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require Franchisee to waive reliance on any representation that Franchisor made in Franchisor's most recent franchise disclosure document (including its exhibits and amendments) that Franchisor delivered to Franchisee or Franchisee's representative.

19.14 Counterparts. This Agreement may be signed in multiple counterpart copies, each of which will be deemed an original, and all of which together constitute one and the same document.

19.15 Time is of the Essence. Franchisee understands that time is of the essence with respect to its obligations hereunder.

19.16 Anti-Terrorism Laws.

(a) Franchisee and the Owners agree to comply with and/or to assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Anti-Terrorism Laws. In connection with such compliance, Franchisee and the Owners certify, represent, and warrant that none of their property or interests is subject to being "blocked" under any of the Anti-Terrorism Laws and that Franchisee and the Owners are not otherwise in violation of any of the Anti-Terrorism Laws.

(b) "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States ("Executive Order 13224"), the Terrorism Sanctions Regulation (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority (including, without limitation, the United States Department of Treasury Office of Foreign Assets Control, and any other government agency with jurisdiction over the parties to this Agreement and/or their actions) addressing or in any way relating to terrorist acts and/or acts of war.

(c) Franchisee and the Owners certify that none of them, their respective employees, agents, bankers, Affiliates or anyone associated with them is listed in the Annex to Executive Order 13224. Franchisee agrees not to hire (or, if already employed, retain the employment of) any individual who is listed in the Annex.

(d) Franchisee is solely responsible for ascertaining what actions it must take to comply with the Anti-Terrorism Laws, and Franchisee specifically acknowledges and agrees that Franchisee's indemnification responsibilities set forth in Section 17.02 above of this Agreement pertain to Franchisee's obligations under this Section 19.16.

(e) Any misrepresentation under this Section or any violation of the Anti-Terrorism Laws by Franchisee or Franchisee's Owners, agents, bankers, employees and Affiliates shall constitute grounds for immediate termination of this Agreement and any other agreement Franchisee has entered into with Franchisor or an Affiliate thereof, in accordance with Section 14.02 above.

19.17 Timing. Franchisee acknowledges that it has had a copy of Franchisor's franchise disclosure document for at least fourteen (14) calendar days before signing this Agreement or any franchise or related agreement; or at least fourteen (14) calendar days before the payment of any consideration to Franchisor. Franchisee has had the opportunity to have this Agreement and the business offered hereunder reviewed by professionals of Franchisee's choosing before executing this Agreement.

19.18 Disavowal of Oral Representations. Franchisor and Franchisee acknowledge that each party desires all terms of their franchise relationship to be defined in this written agreement, and that neither party desires to enter into a franchise relationship with the other in which any terms or obligations are subject to any oral statements or in which oral statements serve as the basis for creating rights or obligations different than or supplementary to the rights and obligations as set forth in this Agreement. Therefore, Franchisor and Franchisee agree that this Agreement will supersede and cancel any prior and contemporaneous discussions between them. Franchisor and Franchisee each agree that each party has placed, and will place, no reliance on any discussions. Franchisee agrees that no representations have been made to it about this Agreement, the Parlor, or the System other than as contained in this Agreement and in the franchise disclosure document received before Franchisee signed this Agreement. Franchisee agrees that no claims, representations, or warranties of earnings, sales, profits, or success of the Parlor have been made to Franchisee.

19.19. No Waiver or Disclaimer of Reliance in Certain States. The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

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

[SIGNATURE PAGE FOLLOWS]

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

FRANCHISOR:

ICD FRANCHISING, LLC
a Missouri limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

If a corporation, partnership, limited
liability company or other legal entity:

(Name of corporation, partnership, limited
liability company or other legal entity)

By: _____
Print Name: _____
Title: _____

If Individual(s):

(Signature)

(Print Name)

[SIGNATURE PAGE TO ICD FRANCHISING, LLC FRANCHISE AGREEMENT]

**ICD FRANCHISING, LLC
FRANCHISE AGREEMENT
EXHIBIT A
DATA SHEET**

1. The approved location of the Parlor shall be:

If no location has been determined at the time this Franchise Agreement is executed, then the Parlor will be within the following area, provided the exact location will be subject to Franchisor's review and approval, and Franchisee authorizes Franchisor to define the Protected Territory and complete this Exhibit A upon Franchisor's approval of a location:

If the above-named location specifies a location yet to be determined, then Franchisor reserves the right to develop and operate Clementine's Parlors in and around the above-described city, county, or area, and to sell franchises—and grant territories to others who will operate Clementine's Parlors in and around the above-described city, county, or area. Franchisee may then be required to choose a final location outside of any protected territory given to Franchisor (or its affiliate) or any other franchisee or area developer, and that territory may be outside of the county, city, or area identified above. Should this happen, Franchisee must obtain Franchisor's review and approval for a new location. Likewise, if Franchisee chooses to move its final address at any time, or if the location set forth above, or any other location Franchisor has approved, becomes unavailable for any reason, it is Franchisee's obligation to select a new location, and to obtain Franchisor's approval of that location before Franchisee acquires the site or obtain any rights in the location.

2. The Protected Territory shall be (subject to the terms of the Agreement, including but not limited to Section 2.03 of the Agreement) as follows, and which Protected Territory is reflected on the map attached to this Exhibit A:

3. The initial Franchise Fee shall be \$_____ (See Section 6.01).

ICD FRANCHISING, LLC

Initial: _____

Date: _____

FRANCHISEE

Initial: _____

Date: _____

**ICD FRANCHISING, LLC
FRANCHISE AGREEMENT
EXHIBIT B
LIST OF OWNERS AND OPERATING PARTNER**

FRANCHISEE'S OWNERS

The following identifies all of Franchisee's Owners, including each Owner's address and percentage of beneficial interest in Franchisee:

Name of Principal	Address, Telephone, Email	Interest (%) with Description
		Total %:

FRANCHISEE'S OPERATING PARTNER

The following identifies Franchisee's Operating Partner, including his/her contact information and percentage of beneficial interest in Franchisee:

Name of Operating Partner	Address, Telephone, Email	Interest (%) with Description

ICD FRANCHISING, LLC

Initial: _____

Date: _____

FRANCHISEE

Initial: _____

Date: _____

**ICD FRANCHISING, LLC
FRANCHISE AGREEMENT
EXHIBIT C
GUARANTY, INDEMNIFICATION AND ACKNOWLEDGMENT**

As an inducement to ICD Franchising, LLC (“**Franchisor**”) to enter into the Franchise Agreement between Franchisor and _____ (“**Franchisee**”), dated _____, 20____ (the “**Agreement**”), the undersigned hereby unconditionally guarantees to Franchisor and Franchisor’s successors and assigns that all of Franchisee’s covenants and obligations, including, without limitation, monetary obligations, under the Agreement will be punctually paid and performed. This Guaranty, Indemnification, and Acknowledgment (this “**Guaranty**”) is an unconditional, irrevocable and absolute guaranty of payment and performance and may not be cancelled, terminated, modified, or amended except by written agreement executed by both parties.

Upon demand by Franchisor, the undersigned hereby agrees to immediately make each payment required of Franchisee under the Agreement and waive any right to require Franchisor to: (a) proceed against Franchisee for any payment required under the Agreement; (b) proceed against or exhaust any security from Franchisee; (c) pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee; or (d) give notice of demand for payment by Franchisee. Without affecting the obligations of the undersigned under this Guaranty, Franchisor may, without notice to the undersigned, extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee, and the undersigned hereby waives notice of same and agrees to remain and be bound by any and all such amendments and changes to the Agreement.

The undersigned hereby agrees to defend, indemnify and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorney’s fees, reasonable costs of financial and other investigation, court costs, and fees and expenses) resulting from, consisting of, or arising out of or in connection with any failure by Franchisee to perform any obligation of Franchisee under the Agreement, any amendment thereto, or any other agreement executed by Franchisee referred to therein.

The undersigned hereby acknowledges and expressly agrees to be personally bound by all of the covenants contained in the Agreement, including, without limitation, those covenants contained in Sections 7, 13, 14, 18, and 19. Signature by the undersigned on this Guaranty constitutes the undersigned’s signature on the Agreement related to all covenants. The undersigned asserts that he or she has read such covenants, been advised by counsel regarding their effect, and hereby affirmatively agree to them in order to secure the rights granted to Franchisee by Franchisor under the Agreement. The undersigned further acknowledges and agrees that this Guaranty does not grant the undersigned any right to use the “Clementine’s Ice Cream” marks or system licensed to Franchisee under the Agreement.

This Guaranty shall terminate upon the termination or expiration of the Agreement, except that all obligations and liabilities of the undersigned which arose from events which occurred on or before the effective date of such termination shall remain in full force and effect until satisfied or discharged by the undersigned, and all covenants which by their terms continue in force after the expiration or termination of the Agreement shall remain in force according to their terms. Upon the death of an individual guarantor, the estate of such guarantor shall be bound by this Guaranty, but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other guarantors, if any, will continue in full force and effect.

The undersigned, if more than one, shall be jointly and severally liable hereunder and the term "undersigned" shall mean the undersigned or any one or more of them. Anyone signing this Guaranty shall be bound thereto at any time. Any married person who signs this Guaranty hereby expressly agrees that recourse may be had against his/her community and separate property for all obligations under this Guaranty.

The undersigned represents and warrants to Franchisor that neither the undersigned (including, without limitation, any and all of its employees, directors, officers and other representatives), nor any of its affiliates or the funding sources for either is a person or entity designated with whom Franchisor, or any of its affiliates, are prohibited by law from transacting business.

Any and all notices required or permitted under this Guaranty shall be in writing and shall be personally delivered, in the manner provided under the Agreement.

Unless specifically stated otherwise, the terms used in this Guaranty shall have the same meaning as in the Agreement, and shall be interpreted and construed in accordance with the Agreement. This Guaranty shall be governed by the dispute resolution provisions of the Agreement, and shall be interpreted and construed under the laws of the State of Missouri. In the event of any conflict of law, the laws of the State of Missouri shall prevail (without regard to, and without giving effect to, the application of Missouri conflict of law rules).

IN WITNESS WHEREOF, the undersigned has executed this Guaranty, Indemnification and Acknowledgement as of the date of the Agreement.

GUARANTOR(S):

Print Name:_____

Print Name:_____

Print Name:_____

Print Name:_____

Print Name:_____

**ICD FRANCHISING, LLC
FRANCHISE AGREEMENT
EXHIBIT D
ELECTRONIC FUNDS WITHDRAWAL AND CREDIT CARD AUTHORIZATION
EFT AUTHORIZATION**

Bank Name:

ABA Routing Number:

Account Number:

Account Name:

Effective as of the date of the signature below, _____ hereby authorizes ICD Franchising, LLC (the “**Franchisor**”) or its designee to withdraw funds from the above-referenced bank account, electronically or otherwise, to make the following payments to Franchisor under the Franchise Agreement for the franchise located at _____: 1.) all Royalty Fees, 2.) all Brand Fund Contributions, 3.) all Technology Fees, and 4.) all other fees due under the Franchise Agreement executed by Franchisee and Franchisor. These withdrawals will occur on a monthly basis, or on another schedule as Franchisor specifies in writing. Franchisor is also authorized to deposit funds into the above-referenced account, electronically or otherwise. This authorization will remain in full force and effect until terminated in writing by Franchisor. Franchisee will provide Franchisor, in conjunction with this authorization, a voided check from the above-referenced account.

AGREED:

FRANCHISEE:

Signed:

By:

Its:

Date:

Please Attach Actual VOIDED CHECK

CREDIT CARD AUTHORIZATION

Credit Card Information			
Card Type:	☐ MasterCard	☐ VISA	☐ Discover ☐ AMEX
	☐ Other _____		
Cardholder Name (as shown on card): _____			
Card Number: _____			
Expiration Date (mm/yy): _____			
Security Code: _____			
Cardholder ZIP Code (from credit card billing address): _____			

Franchisee hereby authorizes Franchisor to charge the above-referenced card all amounts due to Franchisor or its affiliates pursuant to the Franchise Agreement and any other agreement between Franchisee and its affiliates and Franchisor. This authorization remains in full force and effect until sixty (60) days after the Franchisor has received written notification from the Franchisee of its termination. Franchisee understands that its information will be saved to file for all transactions.

Signature of Authorized Signer: _____

Date: _____

**ICD FRANCHISING, LLC
FRANCHISE AGREEMENT
EXHIBIT E
PERSONAL COVENANTS**

These Personal Covenants are being made and executed in connection with that certain FRANCHISE AGREEMENT, dated as of the ____ day of _____, ____ (the “Franchise Agreement”), by and between ICD FRANCHISING, LLC (“Franchisor”) and _____ (“Franchisee”). All capitalized terms used but not defined in these Personal Covenants shall have the meanings set forth in the Franchise Agreement.

Each of the undersigned hereby agrees that:

1. He or she is a Restricted Party.
2. As an inducement to Franchisor to enter into the Franchise Agreement, and in consideration of the direct and personal benefits the undersigned will derive from the Franchise Agreement, the undersigned acknowledges and agrees that: (a) he or she has read and understood Sections 7.01, 7.02, 7.03, 7.06, 13.05, 14.02, 18 and 19 of the Franchise Agreement in their entirety; (b) he or she is and shall be personally bound by all of the obligations and covenants of Franchisee contained in such Sections as if such obligations and covenants were made and given personally thereby directly to Franchisor; and (c) such covenants and restrictions are reasonable, appropriate and necessary to protect the System, other Clementine’s Parlors and the legitimate interest of Franchisor and do not cause undue hardship on the undersigned.
3. If any sentence, clause, paragraph, or combination of any of them in Sections 7.01, 7.02, 7.03, 7.06, 13.05, 14.02, 18 and 19 of the Franchise Agreement is held by a court of competent jurisdiction to be unenforceable as applied to the undersigned, then such unenforceable sentence, clause, paragraph, or combination may be modified by such court to the extent necessary to render it enforceable, and if it cannot be so modified, it shall be severed and the remainder of Sections 7.01, 7.02, 7.03, 7.06, 13.05, 14.02, 18 and 19 of the Franchise Agreement shall remain in full force and effect.
4. These Personal Covenants shall be governed by the internal laws of the State of Missouri, unless the law of another jurisdiction applies as provided for in Section 19.04 of the Franchise Agreement. These Personal Covenants may be enforced by Franchisor and its Affiliates in accordance with the terms of the Franchise Agreement.

The undersigned hereby execute and deliver this instrument effective as of the Effective Date of the Franchise Agreement.

	Date: _____
[Name]	

	Date: _____
[Name]	

	Date: _____
[Name]	

**ICD FRANCHISING, LLC
FRANCHISE AGREEMENT
EXHIBIT F**

TELEPHONE NUMBER ASSIGNMENT AGREEMENT AND POWER OF ATTORNEY

FOR VALUE RECEIVED, the undersigned ("Franchisee") irrevocably assigns the telephone listing and numbers stated below and any successor, changed or replacement number or numbers effective upon the date of termination of the Franchise Agreement described below to ICD Franchising, LLC upon the following terms:

1. This assignment is made under the terms of the ICD Franchising, LLC Franchise Agreement dated _____, 20__ authorizing Franchisee to operate a Clementine's Parlor (the "Franchise Agreement") between Franchisor and Franchisee, which in part pertains to the telephone listing and numbers the Franchisee uses in the operation of the Parlor covered by the Franchise Agreement.

2. Franchisee retains the limited right to use the telephone listing and numbers only for transactions and advertising under the Franchise Agreement while the Franchise Agreement between Franchisor and Franchisee remains in full force, but upon termination or expiration of the Franchise Agreement, the Franchisee's limited right of use of the telephone listing and numbers also terminates. In this event, Franchisee agrees to immediately discontinue use of all listings and numbers. At Franchisor's request, Franchisee will immediately sign all documents, pay all monies, and take all other actions necessary to transfer the listing and numbers to Franchisor.

3. The telephone numbers, fax numbers, and affiliated listings subject to this assignment are: Main Telephone: _____, Facsimile: _____ and all numbers the Franchisee uses in the Parlor in the future.

4. Franchisee shall pay all amounts owed for the use of the telephone numbers and affiliated listing it incurs. On termination or expiration of the Franchise Agreement, Franchisee shall immediately pay all amounts owed for the listing and telephone numbers, whether or not due, including all sums owed under existing contracts for telephone directory advertising.

5. Franchisee appoints Franchisor as its attorney-in-fact to act in Franchisee's place for the purpose of assigning any telephone numbers covered by Paragraph 3 above to Franchisor or Franchisor's designees or transferees. Franchisee grants Franchisor full authority to act in any manner proper or necessary to exercise these powers, including full power of substitution and signing or completion of all documents required or requested by any telephone company to transfer the numbers, and ratifies every act that Franchisor lawfully performs in exercising those powers.

This power of attorney is effective for ten (10) years from the date of expiration, cancellation or termination of Franchisee's rights under the Franchise Agreement for any reason.

Franchisee intends that this power of attorney be coupled with an interest. Franchisee declares this power of attorney to be irrevocable and renounces all right to revoke it or to appoint another person to perform the acts referred to in this instrument. This power of attorney is not affected by the Franchisee's later incapacity. This power is created to secure performance of a duty to Franchisor and is for consideration.

THE PARTIES have caused this Telephone Number Assignment Agreement and Power of Attorney to be duly signed as evidenced by their signatures appearing below. Signed the ____ day of _____, 20__.

FRANCHISOR:
ICD FRANCHISING, LLC

FRANCHISEE:

By:_____

By:_____

Name:_____

Name:_____

Title:_____

Title:_____

**ICD FRANCHISING, LLC
FRANCHISE AGREEMENT
EXHIBIT G
LEASE RIDER**

LEASE RIDER

TO LEASE AGREEMENT DATED _____
BY AND BETWEEN

_____, AS "LANDLORD"
AND

_____, AS "TENANT" FOR THE DEMISED
PREMISES ("PREMISES") DESCRIBED THEREIN

This Lease Rider (this "Rider") and the provisions hereof are hereby incorporated into the body of the lease to which this Rider is attached (the "Lease"), and the provisions hereof shall be cumulative of those set forth in the Lease, but to the extent of any conflict between any provisions of this Rider and the provisions of the Lease, this Rider shall govern and control.

1. Consent to Collateral Assignment to Franchisor; Disclaimer. Landlord acknowledges that Tenant intends to operate a Clementine's Ice Cream parlor in the Premises and that Tenant's rights to operate a Clementine's Ice Cream parlor and to use the Clementine's Ice Cream name, trademarks and service marks are solely pursuant to a franchise agreement ("Franchise Agreement") between Tenant and ICD Franchising, LLC ("Franchisor"). Tenant's operations at the Premises are independently owned and operated. Landlord acknowledges that Tenant alone is responsible for all obligations under the Lease unless and until Franchisor or another franchisee expressly assumes such obligations and takes actual possession of the Premises. Notwithstanding any provisions of this Lease to the contrary, Landlord hereby consents, without payment of a fee and without the need for further Landlord consent, to (a) the collateral assignment of Tenant's interest in this Lease to Franchisor to secure Tenant's obligations to Franchisor under the Franchise Agreement, and/or (b) Franchisor's succeeding to Tenant's interest in the Lease as a result of Franchisor's exercise of rights or remedies under such collateral assignment or as a result of Franchisor's termination of, or exercise of rights or remedies granted in or under, the Franchise Agreement or any other agreement between Franchisor and Tenant, and/or (c) Tenant's, Franchisor's and/or any other franchisee of Franchisor's assignment of the Lease to another franchisee of Franchisor with whom Franchisor has executed its then-standard franchise agreement. Landlord, Tenant and Franchisor agree and acknowledge that simultaneously with such assignment pursuant to the immediately preceding sentence, Franchisor shall be released from all liability under the Lease or otherwise accruing after the date of such assignment (in the event Franchisor is acting as the assignor under such assignment), but neither Tenant nor any other franchisee shall be afforded such release in the event Tenant/such franchisee is the assignor unless otherwise agreed by Landlord. Landlord further agrees that all unexercised renewal or extension rights shall not be terminated in the event of any assignment referenced herein, but shall inure to the benefit of the applicable assignee.

2. Use of Premises. The Premises may be used only for the purpose of operating a parlor under the Clementine's Ice Cream name, with all uses required as part of the Clementine's system of operation.

3. Radius/Relocation. Any radius restrictions or relocation provisions found in the Lease are hereby deleted and of no further force or effect.

4. Tenant's Signage. Notwithstanding anything contained in the Lease to the contrary or in conflict, Landlord hereby grants and approves the following signage rights:

4.1. Landlord agrees to allow Tenant to use Franchisor's standard sign and awning package to the maximum extent permitted by local governmental authorities.

4.2 Tenant shall be provided with a panel on any pylon/monument/directory sign for the development in which the Premises is located, and shall be permitted to install a standard sign thereon as approved by Franchisor, including without limitation Franchisor's logo.

5. Notice and Cure Rights to Franchisor. Prior to exercising any remedies hereunder (except in the event of imminent danger to the Premises), Landlord shall give Franchisor written notice of any default by Tenant, and commencing upon receipt thereof by Franchisor, Franchisor shall have ten (10) additional days to the established cure period as is given to Tenant under the Lease for such default, provided that in no event shall Franchisor have a cure period of less than (i) ten (10) days after Franchisor's receipt of such notice as to monetary defaults or (ii) thirty (30) days after Franchisor's receipt of such notice as to non-monetary defaults. Landlord agrees to accept cure tendered by Franchisor as if the same was tendered by Tenant, but Franchisor has no obligation to cure such default. The initial address for notices to Franchisor is as follows:

ICD Franchising, LLC
Attention: Legal
8014 N. Broadway
St. Louis, MO 63147

6. Non-disturbance from Mortgage Lenders. Notwithstanding anything contained in the Lease to the contrary or in conflict, it shall be a condition of the Lease being subordinated to any mortgage, deed of trust, deed to secure debt or similar encumbrance on the Premises that the holder of such encumbrance agree not to disturb Tenant's rights under this Lease or Tenant's possession of the Premises, so long as Tenant is not in default of its obligations hereunder beyond an applicable grace or cure period provided herein (as may be extended from time to time pursuant to paragraph 5 immediately above).

7. Third-Party Beneficiary. For so long as Franchisor holds a collateral assignment of the Lease, Franchisor is a third-party beneficiary of the Lease, including, without limitation, this Rider, and as a result thereof, shall have all rights (but not the obligation) to enforce the same.

8. Franchisor Right to Enter. Landlord acknowledges that, under the Franchise Agreement, Franchisor or its appointee has the right to assume the management and operation of the Tenant's business, on Tenant's behalf, under certain circumstances (to-wit: Tenant's abandonment, Tenant's failure to timely cure its default of the Franchise Agreement, and while Franchisor evaluates its right to purchase the parlor). Landlord agrees that Franchisor or its appointee may enter upon the Premises for purposes of assuming the management and operation of Tenant's parlor as provided in the Franchise Agreement and, if it chooses to do so, it will do so in the name of the Tenant and without assuming any direct liability under the Lease. Further, upon the expiration or earlier termination of this Lease or the Franchise Agreement, Franchisor or its designee may enter upon the Premises for the purpose of removing all signs and other material bearing the Clementine's Ice Cream name or trademarks, service marks, or other commercial symbols of Franchisor.

9. Amendments. Tenant agrees that the Lease may not be terminated, modified or amended without Franchisor's prior written consent, nor shall Landlord accept surrender of the Premises without Franchisor's prior written consent. Tenant agrees to promptly provide Franchisor with copies of all proposed modifications or amendments and true and correct copies of the signed modifications and amendments.

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

LANDLORD: _____

TENANT: _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

**ICD FRANCHISING, LLC
FRANCHISE AGREEMENT
EXHIBIT H
STATE ADDENDA**

**ADDENDUM TO THE
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS**

THIS ADDENDUM (the “**Addendum**”) is made and entered into by and between **ICD FRANCHISING, LLC**, a Missouri limited liability company (“**Franchisor**”) with its principal business address at 8014 N. Broadway, St. Louis, MO 63147-2417, and _____, a _____ (“**Franchisee**”), whose principal business address is _____.

1. **BACKGROUND.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____ (the “Agreement”), that has been entered into concurrently with the entering of this Addendum. This Addendum is annexed to and forms part of the Agreement, and the defined terms set forth in the Agreement are used in this Addendum with the same meanings ascribed to them in the body of the Agreement. This Addendum is being executed because the Franchised Parlor to be operated by Franchisee pursuant to the Agreement will be located in the State of Illinois and/or because Franchisee is a resident of the State of Illinois.

2. Illinois law governs the Franchise Agreement.

3. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

4. Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

5. In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

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

[Signatures follow on next page.]

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

FRANCHISOR

ICD FRANCHISING, LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____

**ADDENDUM TO THE
FRANCHISE AGREEMENT
FOR USE IN MARYLAND**

THIS ADDENDUM (the “**Addendum**”) is made and entered into by and between **ICD FRANCHISING, LLC**, a Missouri limited liability company (“Franchisor”) with its principal business address at 8014 N. Broadway, St. Louis, MO 63147-2417, and _____
a _____ (“**Franchisee**”), whose principal business address is _____.

1. **BACKGROUND.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20____ (the “Franchise Agreement”). This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being signed because (a) Franchisee is domiciled in Maryland, and/or (b) the Business that Franchisee will operate under the Franchise Agreement will be located in Maryland.

2. **RELEASES.** The following is added to the end of Sections 13.02(f) and 15.03 of the Franchise Agreement:

However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to any claims or liability arising under the Maryland Franchise Registration and Disclosure Law.

3. **INSOLVENCY.** The following sentence is added to the end of Section 14.02 of the Franchise Agreement:

Section 14.02 may not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).

4. **FORUM FOR LITIGATION.** The following language is added to the end of Section 18.04 (“Jurisdiction and Venue”) of the Franchise Agreement:

Franchisee may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

5. **GOVERNING LAW.** The following sentence is added to the end of Section 19.04 (“Governing Law”) of the Franchise Agreement:

Notwithstanding the foregoing, the Maryland Franchise Registration and Disclosure Law shall govern any claim arising under that law.

6. **LIMITATION OF CLAIMS.** The following sentence is added to the end of Section 18.06 (“Damages and Timing of Claims”) of the Franchise Agreement:

Franchisee must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after Franchisor grant Franchisee the franchise.

7. **ACKNOWLEDGMENTS**. The following is added as a new Section 19.20 to the end of the Franchise Agreement:

19.20. **ACKNOWLEDGEMENTS**.

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

8. **ARBITRATION**. The following sentences are added to the end of Section 18.03 (“Arbitration”):

This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

FRANCHISOR

ICD FRANCHISING, LLC

By: _____
Name: _____
Title: _____

Date: _____

FRANCHISEE

(IF ENTITY):

By: _____
[Name]

Name: _____
Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____

**ADDENDUM TO THE
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA**

THIS ADDENDUM (the “**Addendum**”) is made and entered into by and between **ICD FRANCHISING, LLC**, a Missouri limited liability company (“**Franchisor**”) with its principal business address at 8014 N. Broadway, St. Louis, MO 63147-2417, and _____, a _____ (“**Franchisee**”), whose principal business address is _____.

1. **BACKGROUND.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20____ (the “Franchise Agreement”). This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being signed because (a) the Parlor that Franchisee will operate under the Franchise Agreement will be located in Minnesota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Minnesota.

2. **THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.**

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

3. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

4. With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subds. 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 of non-renewal of this the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

5. 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 Statutes, Section 80C.12, Subd. 1(g).

6. 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.

7. The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

8. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rules 2860.4400J. Also, a court will determine if a bond is required.

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

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement under seal as of the Effective Date.

FRANCHISOR

ICD FRANCHISING, LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____

**ADDENDUM TO THE
FRANCHISE AGREEMENT FOR USE IN THE
STATE OF NEW YORK**

THIS ADDENDUM (the “**Addendum**”) is made and entered into by and between **ICD FRANCHISING, LLC**, a Missouri limited liability company (“**Franchisor**”) with its principal business address at 8014 N. Broadway, St. Louis, MO 63147-2417, and _____ a _____ (“**Franchisee**”), whose principal business address is _____.

1. **BACKGROUND.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, (the “Franchise Agreement”). This Addendum is being signed because (a) Franchisee is domiciled in the State of New York and the Business that Franchisee will operate under the Franchise Agreement will be located in New York, and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in New York.

2. **RELEASES.** The following language is added to the end of Sections 13.02(f) and 15.03 of the Franchise Agreement:

Notwithstanding the foregoing all rights enjoyed by Franchisee and any causes of action arising in Franchisee’s favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force to the extent required by the non-waiver provisions of GBL Sections 687.4 and 687.5, as amended.

3. **TERMINATION OF AGREEMENT - BY FRANCHISEE.** The following language is added to Section 14.01 of the Franchise Agreement:

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

4. **INJUNCTIVE RELIEF.** The following sentence is added to the end of Section 18.01:

Franchisor’s right to obtain injunctive relief exists only after proper proofs are made and the appropriate authority has granted such relief.

5. **FORUM FOR LITIGATION.** The following statement is added at the end of Section 18.04 of the Franchise Agreement:

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

6. **GOVERNING LAW.** The following is added to the end of Section 19.04 of the Franchise Agreement:

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

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement under seal as of the Effective Date.

FRANCHISOR

ICD FRANCHISING LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____

**ADDENDUM TO THE
FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA**

THIS ADDENDUM (the “Addendum”) is made and entered into by and between **ICD FRANCHISING, LLC**, a Missouri limited liability company (“**Franchisor**”) with its principal business address at 8014 N. Broadway, St. Louis, MO 63147-2417, and _____ a _____ (“**Franchisee**”), whose principal business address is _____.

1. **BACKGROUND.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20__ (the “Franchise Agreement”). This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being signed because (a) Franchisee is a resident of North Dakota and the Business that Franchisee will operate under the Franchise Agreement will be located or operated in North Dakota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in North Dakota.

2. **RELEASES.** The following is added to the end of Sections 13.02(f) and 15.03 of the Franchise Agreement:

Any release required as a condition of renewal, sale and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

3. **COVENANT NOT TO COMPETE.** The following is added to the end of Section 7.01 of the Franchise Agreement:

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.

4. **FORUM FOR ARBITRATION AND MEDIATION.** The following is added to the end of Sections 18.02 and 18.03 of the Franchise Agreement:

NOTWITHSTANDING THE FOREGOING, TO THE EXTENT REQUIRED BY THE NORTH DAKOTA FRANCHISE INVESTMENT LAW, THE SITE OF ARBITRATION AND MEDIATION MUST BE AGREEABLE TO ALL PARTIES AND MAY NOT BE REMOTE FROM THE FRANCHISEE’S PLACE OF BUSINESS.

5. **WAIVER OF EXEMPLARY AND PUNITIVE DAMAGES.** To the extent required by the North Dakota Franchise Investment Law, the waiver of punitive and exemplary damages in Section 18.06 of the Franchise Agreement is deleted.

6. **WAIVER OF JURY TRIAL.** To the extent required by the North Dakota Franchise Investment Law, Section 18.05 of the Franchise Agreement is deleted.

7. **LIMITATIONS OF CLAIMS.** To the extent required by the North Dakota Franchise Investment Law, the one-year limitation on bringing claims or actions, as set forth in Section 18.06 of the Franchise Agreement, is deleted. The statute of limitations under North Dakota law will apply.

8. **LIQUIDATED DAMAGES.** To the extent required by the North Dakota Franchise Investment Law, Section 16.05 of the Franchise Agreement is deleted.

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

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement under seal as of the Effective Date.

FRANCHISOR

ICD FRANCHISING, LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____

**ADDENDUM TO THE
FRANCHISE AGREEMENT
FOR USE IN RHODE ISLAND**

THIS ADDENDUM (the “**Addendum**”) is made and entered into by and between **ICD FRANCHISING, LLC**, a Missouri limited liability company (“**Franchisor**”) with its principal business address at 8014 N. Broadway, St. Louis, MO 63147-2417, and _____ a _____ (“**Franchisee**”), whose principal business address is _____.

1. **BACKGROUND.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20____ (the “Franchise Agreement”). This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being signed because (a) Franchisee is domiciled in Rhode Island and the Business that Franchisee will operate under the Franchise Agreement will be located in Rhode Island; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Rhode Island.

2. **NON-RENEWAL AND TERMINATION.** The following paragraph is added to the end of Sections 14 and 15:

Section 6-50-4 of the Rhode Island Fair Dealership Law includes the requirement that, in certain circumstances, a franchisee receive 90 days’ notice of termination, cancellation, non-renewal or substantial change in competitive circumstances. The notice shall state all the reasons for termination, cancellation, non-renewal or substantial change in competitive circumstances and shall provide that the franchisee has 60 days in which to rectify any claimed deficiency and shall supersede the requirements of the Franchise Agreement to the extent they may be inconsistent with the Law’s requirements. If the deficiency is rectified within 60 days the notice shall be void. The above-notice provisions shall not apply if the reason for termination, cancellation or nonrenewal is insolvency, the occurrence of an assignment for the benefit of creditors or bankruptcy. If the reason for termination, cancellation, nonrenewal or substantial change in competitive circumstances is nonpayment of sums due under the Franchise Agreement, Franchisee shall be entitled to written notice of such default, and shall have 10 days in which to remedy such default from the date of delivery or posting of such notice.

3. **GOVERNING LAW / FORUM FOR LITIGATION.** The following language is added to the end of Sections 18.04 and 19.04 of the Franchise Agreement:

SECTION 19-28.1-14 OF THE RHODE ISLAND FRANCHISE INVESTMENT ACT PROVIDES THAT “A PROVISION IN A FRANCHISE AGREEMENT RESTRICTING JURISDICTION OR VENUE TO A FORUM OUTSIDE THIS STATE OR REQUIRING THE APPLICATION OF THE LAWS OF ANOTHER STATE IS VOID WITH RESPECT TO A CLAIM OTHERWISE ENFORCEABLE UNDER THIS ACT.” TO THE EXTENT REQUIRED BY APPLICABLE LAW, RHODE ISLAND LAW WILL APPLY TO CLAIMS ARISING UNDER THE RHODE ISLAND FRANCHISE INVESTMENT ACT.

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement under seal as of the Effective Date.

FRANCHISOR

ICD FRANCHISING, LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE
FRANCHISE AGREEMENT
FOR USE IN WASHINGTON**

THIS ADDENDUM (the “**Addendum**”) is made and entered into by and between **ICD FRANCHISING, LLC**, a Missouri limited liability company (“**Franchisor**”) with its principal business address at 8014 N. Broadway, St. Louis, MO 63147-2417, and _____ a _____ (“**Franchisee**”), whose principal business address is _____.

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **CONFLICT OF LAWS.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

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

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

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

5. **STATUTE OF LIMITATIONS AND WAIVER OF JURY TRIAL.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

7. **TERMINATION BY FRANCHISEE.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

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

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

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

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

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

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

14. **NONCOMPETITION COVENANTS.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **NONSOLICITATION AGREEMENTS.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.

As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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

17. **PROHIBITIONS ON COMMUNICATING WITH REGULATORS**. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

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

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement under seal as of the Effective Date.

FRANCHISOR

ICD FRANCHISING, LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____

**ADDENDUM TO THE
FRANCHISE AGREEMENT
FOR USE IN WISCONSIN**

THIS ADDENDUM (the “**Addendum**”) is made and entered into by and between **ICD FRANCHISING, LLC**, a Missouri limited liability company (“**Franchisor**”) with its principal business address at 8014 N. Broadway, St. Louis, MO 63147-2417, and _____
a _____ (“**Franchisee**”), whose principal business address is _____.

1. **BACKGROUND.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20____ (the “Franchise Agreement”). This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being signed because (a) Franchisee is domiciled in Wisconsin and the Business that Franchisee will operate under the Franchise Agreement will be located in Wisconsin; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Wisconsin.

2. **NON-RENEWAL AND TERMINATION.** The following paragraph is added to the end of Sections 14 and 15:

Section 135.04 of the Wisconsin Fair Dealership Law includes the requirement that, in certain circumstances, a franchisee receive 90 days’ notice of termination, cancellation, non-renewal or substantial change in competitive circumstances. The notice shall state all the reasons for termination, cancellation, non-renewal or substantial change in competitive circumstances and shall provide that the franchisee has 60 days in which to rectify any claimed deficiency and shall supersede the requirements of the Franchise Agreement to the extent they may be inconsistent with the Law’s requirements. If the deficiency is rectified within 60 days the notice shall be void. The above-notice provisions shall not apply if the reason for termination, cancellation or nonrenewal is insolvency, the occurrence of an assignment for the benefit of creditors or bankruptcy. If the reason for termination, cancellation, nonrenewal or substantial change in competitive circumstances is nonpayment of sums due under the Franchise Agreement, Franchisee shall be entitled to written notice of such default, and shall have 10 days in which to remedy such default from the date of delivery or posting of such notice.

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement under seal as of the Effective Date.

FRANCHISOR

ICD FRANCHISING, LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE

(IF ENTITY):

[Name]

By: _____

Name: _____

Title: _____

Date: _____

(IF INDIVIDUALS):

[Signature]

[Print Name]

[Signature]

[Print Name]

Date: _____

EXHIBIT C
EXPANSION OPTION AGREEMENT
(see attached)

EXPANSION OPTION AGREEMENT

This Expansion Option Agreement (this “Agreement”) is made and entered into as of _____ (the “Effective Date”), by and between ICD FRANCHISING, LLC, a Missouri limited liability company with its principal office at 8014 N. Broadway, St. Louis, MO 63147 (“Franchisor”), and _____, a _____, with its principal office at _____ (“Franchisee” or “you”).

1. Introduction

On _____, you and Franchisor entered into a Franchise Agreement (the “Franchise Agreement”) for the right to establish and operate a Clementine’s Parlor in a specific Protected Territory (the “Parlor”). All capitalized terms not defined in this Agreement have the respective meanings set forth in the Franchise Agreement. You desire, and Franchisor is willing to grant (subject to the terms and conditions of this Agreement), the right to open and operate an additional Clementine’s Parlor in the territory designated in Schedule A hereto (the “Expansion Territory”).

2. Grant of Expansion Option

Subject to the terms and conditions of this Agreement and the Franchise Agreement, Franchisor grants to you, and you accept, an option (the “Expansion Option”) to acquire from Franchisor the right to open and operate an additional Clementine’s Parlor in the Expansion Territory. In consideration of your payment of the Expansion Option Fee (defined below), Franchisor agrees that it will not offer or sell the right to open and operate a Clementine’s Parlor in the Expansion Territory to any third party during the Option Period (defined below) of this Agreement.

3. Expansion Option Fee

In consideration for Franchisor granting the expansion option under this Agreement, you agree to pay Franchisor a fee equal to Ten Thousand Dollars (\$10,000) (the “Expansion Option Fee”). This sum will be due in full when you sign this Agreement and will be considered fully earned by Franchisor when paid, in consideration of Franchisor granting you the Expansion Option. The Expansion Option Fee is not refundable in whole or in part under any circumstance, including if the Expansion Option lapses. However, if you exercise your Expansion Option and enter into a franchise agreement for the Expansion Territory during the Option Period, then Franchisor will credit the Expansion Option Fee you paid Franchisor toward the Initial Franchise Fee payable under the franchise agreement for the Expansion Territory. If you do not execute a franchise agreement for the Expansion Territory during the Option Period, then the Expansion Option granted to you under this Agreement will lapse and you will no longer have the option to acquire from Franchisor the right to open and operate an additional Clementine’s Parlor in the Expansion Territory.

4. Option Period

You may exercise the expansion option granted under this Agreement only within one (1) year following the earlier of: (i) the opening of the Parlor, (ii) the date the Parlor is required to open as set forth in the Franchise Agreement; or (iii) your event of default under the Franchise Agreement and failure to cure within the time period provided in the Franchise Agreement, if any (the “Option Period”).

5. Expansion Territory

The Expansion Territory under this Agreement includes the geographic area described on Schedule A to this Agreement.

6. Rights and Obligations During the Option Period

During the Option Period, you have the non-exclusive right to provide catering and delivery

services located in the Expansion Territory pursuant to the terms of the Franchise Agreement, subject to our policies and requirements. All income or revenue you generate in the Expansion Territory will be treated as Net Sales, as that term is defined in the Franchise Agreement, and will be subject to the same conditions and obligations set forth in the Franchise Agreement, including but not limited to, all Royalty Fee and Brand Fund Contribution obligations. You acknowledge and agree that Parlors operated by us, our affiliates, or our franchisees also have the right to provide catering and delivery services located in the Expansion Territory during the Option Period.

7. Exercise of Option

The Expansion Option granted under this Agreement must be exercised in the following manner:

(a) Before expiration of the Option Period and provided that you are in compliance with the requirements of Section 8 below, you must give Franchisor written notice of your intent to exercise the Expansion Option granted under this Agreement and provide Franchisor all documents and information required by its then-current expansion policy requirements. You must also request from Franchisor a copy of its then-current Franchise Disclosure Document (the “Disclosure Document”), including the then-current Clementine’s Parlor franchise agreement. You must immediately acknowledge your receipt by executing the Receipt in the Disclosure Document and return it to Franchisor.

(b) Not less than 14 days (or such longer period as applicable law requires) and not more than 30 days following your receipt of the Disclosure Document, you must execute the then-current Clementine’s Parlor franchise agreement for the Expansion Territory (which may contain materially different terms and conditions from the Franchise Agreement) and pay the Initial Franchise Fee (less the Expansion Option Fee) due under the franchise agreement for the Expansion Territory.

(c) If you fail to perform any of the acts or fail to deliver any of the notices required by subsections (a) or (b) of this Section in a timely fashion, your failure will be considered your election not to exercise your Expansion Option rights under this Agreement, and will cause your Expansion Option rights to lapse and expire without further notice or action by Franchisor, and you will no longer have the option to acquire from Franchisor the right to open and operate an additional Clementine’s Parlor in the Expansion Territory, in which case you will forfeit the Expansion Option Fee you paid to Franchisor under this Agreement.

(d) If you exercise your option right in the form and manner described in this Agreement, and you satisfy in all respects all of the conditions contained in Section 8 of this Agreement, Franchisor will countersign the franchise agreement for the Expansion Territory.

(e) When you sign the Clementine’s Parlor franchise agreement for the Expansion Territory, the terms, conditions, requirements and duties imposed by the franchise agreement for the Expansion Territory will govern and preempt this Agreement.

8. Conditions

Your right to exercise the expansion option granted under this Agreement and enter into a Clementine’s Parlor franchise agreement for the Expansion Territory is conditioned upon your having fulfilled all of the following conditions:

(a) You demonstrate to Franchisor’s written satisfaction that you have satisfied all of Franchisor’s then-current expansion policy requirements to open and operate an additional Clementine’s Parlor in the Expansion Territory, which may include, without limitation, minimum Net Sales that your Parlor must achieve and a minimum amount of liquidity for you and/or your affiliates;

(b) At the time of your exercise of the Expansion Option, you must have fully performed

and otherwise be in compliance with all your obligations under the Franchise Agreement between you (or your affiliates) and Franchisor and under all other agreements which may then be in effect between Franchisor (or its parent, or the affiliates, subsidiaries and designees of both entities) and you (or your affiliates);

(c) You must not be in default of any provision of the Franchise Agreement, and any amendments or replacement of the Franchise Agreement, or any other agreement with Franchisor (or its parent, or the affiliates, subsidiaries and designees of either entity) and you must have fully complied with all of the terms and conditions of such agreements during their terms;

(d) You must have satisfied all monetary obligations owed by you to Franchisor (and its parent, and the subsidiaries, affiliates and designees of both entities) and timely met those obligations throughout the term of the Franchise Agreement; and

(e) The Franchise Agreement must be in full force and effect and not expired or terminated for any reason.

9. No Franchise Conveyed

You will not be deemed for any purposes to be a franchisee of Franchisor's with respect to the option to acquire from Franchisor the right to open and operate an additional Clementine's Parlor in the Expansion Territory under this Agreement until such time as you have exercised the Expansion Option granted under this Agreement in the manner provided for in this Agreement and you and Franchisor have signed a Clementine's Parlor franchise agreement for the Expansion Territory.

10. No Assignment

This Agreement and the Expansion Option rights it grants are not assignable by you under any circumstances. Any attempted assignment by you of this Agreement and the expansion option rights, directly or indirectly by any means, will be void and of no effect and will cause the automatic and immediate termination of this Agreement without further notice from or action by Franchisor. Upon such an automatic and immediate termination of this Agreement, you will no longer have the option to acquire from Franchisor the right to open and operate an additional Clementine's Parlor in the Expansion Territory. The Expansion Option Fee is not refundable under any circumstances. This Agreement may be unilaterally assigned by Franchisor and shall inure to the benefit of its successors and assigns.

11. Waiver and Delay

No waiver or delay in either party's enforcement of any breach of any term, covenant or condition of this Agreement will be construed as a waiver by that party of any preceding or succeeding breach, or any other term, covenant or condition of this Agreement. Without limiting any of the foregoing, the acceptance of any payment specified to be paid by you under this Agreement will not be, nor be construed to be, a waiver of any breach of any term, covenant or condition of this Agreement.

12. Integration of Agreement

This Agreement and all ancillary agreements executed contemporaneously with this Agreement constitute the entire agreement between the parties with reference to the subject matter of this Agreement and supersede any and all prior negotiations, understandings, representations and agreements; provided, however, that nothing in this sentence is intended to disclaim the representations Franchisor made in the FDD that Franchisor provided to you. You acknowledge that you are entering into this Agreement, and all ancillary agreements executed contemporaneously with this Agreement, as a result of your own independent investigation of the business opportunity and not as a result of any representations about Franchisor made by its shareholders, officers, directors, employees, agents, representatives, independent contractors or franchisees which are contrary to the terms set forth in this

Agreement or of any Disclosure Document, prospectus, disclosure document or other similar document required or permitted to be given to you pursuant to applicable law.

This Agreement may not be amended orally, but may be amended only by a written instrument signed by the parties. You expressly acknowledge that no oral promises or declarations were made to you and that Franchisor's obligations are confined exclusively to the terms in this Agreement. You understand and assume the business risks inherent in this enterprise.

13. Notices

Any notice required or permitted to be given under this Agreement must be provided in accordance with Section 19.05 of the Franchise Agreement.

14. Miscellaneous

A. Construction and Interpretation:

(1) This Agreement or any other agreement between you (or your owners) and Franchisor (or its affiliates), Franchisor's relationship with you, the validity of this Agreement or any other agreement between you (or your owners) and Franchisor (or its affiliates) will be governed by the laws of the State of Missouri, without regard to its conflict of laws rules, except that any Missouri law regulating the offer or sale of franchises, business opportunities, or similar interests, or governing the relationship between a franchisor and a franchisee or any similar relationship, will not apply unless its jurisdictional requirements are met independently without reference to this Section.

(2) All claims or disputes between you and Franchisor or any of your and Franchisor's respective affiliates, owners, officers, directors, employees, agents or representatives arising under, out of, in connection with, or in relation to this Agreement, the parties' relationship, the Parlor, or any of the parties' respective rights and obligations arising out of this Agreement must be resolved in accordance with the dispute resolution provisions set forth in Section 18 and Section 19.06 of the Franchise Agreement.

(3) The titles and subtitles of the various sections and paragraphs of this Agreement are inserted for convenience and will not be deemed to affect the meaning or construction of any of the terms, provisions, covenants and conditions of this Agreement.

(4) The language of this Agreement will in all cases be construed simply according to its fair and plain meaning and not strictly for or against Franchisor or you.

(5) It is agreed that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision will have the meaning which renders it valid.

B. Severability:

Nothing contained in this Agreement may be construed as requiring the commission of any act contrary to law. Whenever there is any conflict between any provision of this Agreement and any present or future statute, law, ordinance or regulation required to be made applicable to this Agreement, the latter will prevail, but the affected provision of this Agreement will be curtailed and limited only to the extent necessary to bring it within the requirement of the law. If any article, section, sentence or clause of this Agreement is held to be indefinite, invalid or otherwise unenforceable, the entire Agreement will not fail for this reason, and the balance of the Agreement will continue in full force and effect. If any court of competent jurisdiction deems any provision of this Agreement (other than for the payment of money) so unreasonable as to be unenforceable as a matter of law, the court may declare a reasonable modification of this Agreement and this Agreement will be valid and enforceable, and the parties agree to be bound by and perform this Agreement as so modified.

C. Counterparts:

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which together will be deemed to be one and the same instrument.

15. Attorneys' Fees.

If Franchisor incurs any expenses in connection with Franchisee's failure to pay any amounts it owes when due, submit any required reports when due or otherwise comply with this Agreement, Franchisee agrees to reimburse Franchisor for any of the costs and expenses that Franchisor incurs, including, without limitation, reasonable accounting, attorneys', arbitrators' and related fees.

16. Electronic Signatures.

The counterparts of this Agreement and all ancillary documents executed or delivered in connection with this Agreement may be executed and signed by electronic signature by any of the parties to this Agreement, and delivered by electronic or digital communications to any other party to this Agreement, and the receiving party may rely on the receipt of such document so executed and delivered by electronic or digital communications signed by electronic signature as if the original has been received. For the purposes of this Agreement, electronic signature means, without limitation, an electronic act or acknowledgement (e.g., clicking an "I Accept" or similar button), sound, symbol (digitized signature block), or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

17. Due Authorization.

The person or persons executing this Agreement on behalf of us and you each, respectively, certify and warrant that they are duly authorized to execute this Agreement and that this Agreement is a valid, binding and enforceable agreement on such party.

18. Submission of Agreement

The submission of this Agreement does not constitute an offer and this Agreement will become effective only upon the execution of this Agreement by you and Franchisor.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the date first written above.

FRANCHISOR:

ICD FRANCHISING, LLC
a Missouri limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE:

If a corporation, partnership, limited
liability company or other legal entity:

(Name of corporation, partnership, limited
liability company or other legal entity)

By: _____
Print Name: _____
Title: _____

If Individual(s):

(Signature)

(Print Name)

SCHEDULE A
EXPANSION TERRITORY

The Expansion Territory granted to you in Section 1 of the Agreement will consist of the following:

EXHIBIT D
OPERATIONS MANUAL TABLE OF CONTENTS
(see attached)



TABLE OF CONTENTS

INTRODUCTION	10
Ownership of the Manual	10
Importance of Confidentiality	10
An Important Message to Our Franchisees	12
Submitting Suggestions	12
Manual Revisions	13
Limitations of the Manual	14
Operations Manual Receipt & Acknowledgement	15
Who To Call	16
Welcome To The Team	19
Company Overview	22
Company Story	22
The Organoleptic Experience (Why It's So Powerful at Clementine's)	25
SIGHT: A parlor that rewards attention	25
SOUND: Hospitality you can hear	26
SMELL: An invitation you can't ignore	27
TOUCH: Materials that make the experience feel premium	27
TASTE: A mini journey, guided by a real person	28
Why this is uniquely Clementine's	28
Company Organizational Chart	30
Mission Statement	31
Vision Statement	31
Core Values	31
Our Terms	33
What Differentiates Us	36
General Responsibilities of the Franchisee	38
Responsibilities to Your Customers	38
Responsibilities to Your Fellow Franchisees	38
Responsibilities to Your Employees	39

Responsibilities to the Franchisor	39
Getting Started	41
Establishment of Business Form	41
Paying Taxes	42
Employer Identification Number (EIN)	43
Obtaining an EIN	43
When To Apply For An EIN	43
IRS-Required Reports	44
State Income Tax	46
State Unemployment Tax	46
Retail Sales Tax	47
Taxes On Services Rendered	48
County or Town Taxes: Sales Tax	48
County or Town Taxes: Taxes on Services Rendered	49
Personal Property Tax	49
County or Town Business Tax	49
Federal Tax Filing Checklist	50
Site Selection & Build Out	51
I. Market Research	51
II. Adjacencies, Amenities, and Attractions	53
III. Traffic and Footfall Patterns	53
IV. Visibility, Accessibility, and Safety	54
V. Parking	54
VI. Lease Analysis	54
VII. Local Regulations and Permits	55
VIII. Future Development & Growth Potential	56
IX. Building Infrastructure Needs	56
X. Sales Cannibalization	57
XI. Patio (Al Fresco Dining)	57
XII. Square Footage	57
XIII. BONUS: Additional Factors to Consider	58

STAFFING & TRAINING	60
Joint Employer Rule & Employee Handbook Disclaimer	61
Positions	62
Owner/Operator	62
Area Manager	63
Parlor Manager	65
Dual Parlor Manager	66
Ice Cream Scooper	67
Recruiting	69
The Application Process	71
Interviewing	73
Interview Guides	74
Candidate Selection	94
Background Checks	95
Certifications	96
Onboarding	97
Offering the Position	97
Non-Disclosure Agreement	99
Clementine's requires that all employees, including part-time and seasonal employees, to sign a Non-Disclosure Agreement to protect confidential and proprietary information. A copy of this legal document will be provided by Clementine's.	99
Orientation	99
Employment Related Forms	100
Pay, Hours, Policies	101
Training	102
Record Keeping	110
Uniforms	111
Scheduling	115
Evaluations	115
SAFETY	121
Food Safety	122
1. Purpose & Importance of Food Safety	122

2. Handwashing Requirements	122
3. Glove Use & Bare-Hand Contact	123
4. Food Handling Practices	124
5. Personal Appearance & Hygiene Standards	125
6. Clean Clothing & Personal Cleanliness	126
7. Illness Policy	126
8. Responsibility & Compliance	127
OSHA Workplace Posters	128
Emergency Response Procedures	129
Fire	129
Fear for Safety	129
Loss of Power	130
Customer Service Escalation	130
Inclement Weather Policy	130
Tornado Warning/Severe Weather Warning	131
Foreign Object Found in Ice Cream	131
Active Shooter	132
Robbery	132
Clementine's Incident/Injury Report Form	133
Chemical Procedures	136
Dry Ice Safety	137
Equipment Safety	138
Temperature Logs	138
Safety Policies	138
Parlor Closure	139
Parlor Security	139
Theft & Loss Prevention	139
OPERATIONS	140
Customer Service Guidelines	141
Six Steps of the Clementine's Retail Experience	142
Telephone Etiquette	144

Operating Hours	146
Equipment	147
Preventative Maintenance & Replacement	147
How to Defrost Dipping Cabinets	147
How to Re-frost Dipping Cabinets	148
Menu Items	149
Flavors	149
Rail Set-Up	150
Allergen Processes	151
How to Scoop	152
How to make Honey Whipped Cream	153
How to make Lava Love	154
How to make a Signature Sundae	155
How to Make Floats	156
How to Make Waffle Mix	157
How to Make Waffle Cones/Bowls	157
Waffle Cones	158
Waffle Bowls	159
Pint of the Month Club	160
Pint Freezer Layout	161
Deposit Instructions	165
Cash Handling	165
Cash Deposit Log	166
Opening Drawer	167
Tip Sheets	169
Daily Tip Sheet	170
How to Place your Ice Cream and Supplies Orders	171
Ice Cream Bucket Inventory/Ordering	175
Ice Cream Pint Inventory/Ordering	176
Imperial Dade Ordering Guide	177
Dry Goods Par/Ordering Sheet	179

How to Add Stock to Inventory on Square	182
How to Activate a Gift Card	183
Physical Gift Card	183
Online Gift Card	184
Credit Card Retail Policy	184
General Cleanliness	185
CUSTOMER FACING	186
SCOOPER FACING	187
Opening and Closing Checklists	188
Opening Checklist	189
Mid-Day Checklist	191
Closing Checklist	193
Weekly Deep Clean List	195
Evaluation of Parlor Checklist	197
Events	200
Catering Events	203
Ice Cream Giveback Events	204
MARKETING & CUSTOMER SERVICE	205
Marketing Fund	206
Cooperative Advertising and Marketing	207
Local Advertising and Marketing	207
Developing a Local Marketing Plan	208
Social Media Policy	208
Corporate Website	209
Word of Mouth	210
Publicity	211
Promotional Materials	213
Branding Style & Guide	213
Obtaining Approval for Concepts and Materials	214
Guidelines for Using Marks	217
Pre-Opening Marketing	219

Grand Opening	220
Planning a Grand Opening	220
Grand Opening Activities	221
FINANCIAL MANAGEMENT	222
Monthly Financial Reports	223
Annual Reports	226
Accounting Best Practices	227
Cash Flow Planning	227
Late Payments	228
Audits	228
TECHNOLOGY	229
Technology Used	230
Franchise Portal	230
CONCLUSION	231
Welcome to the Clementine's Family	232

EXHIBIT E
FINANCIAL STATEMENTS
(see attached)

Independent Auditor's Acknowledgment

We agree to the inclusion in the Franchise Disclosure Document dated July 15, 2026 issued by ICD Franchising, LLC ("the Franchisor") of our report dated May 28, 2026, relating to the financial statements of the Franchisor as of December 31, 2025 and for the period from January 31, 2025 to December 31, 2025.

Forvis Mazars, LLP

**St. Louis, Missouri
July 15, 2026**



ICD Franchising, LLC

Independent Auditor's Report and Financial Statements

December 31, 2025



Independent Auditor’s Report	1
 Financial Statements	
Balance Sheet	3
Statement of Operations	4
Statement of Member’s Deficit	5
Statement of Cash Flows	6
Notes to Financial Statements	7

Independent Auditor's Report

Board of Advisors and Management
ICD Franchising, LLC
St. Louis, Missouri

Opinion

We have audited the financial statements of ICD Franchising, LLC, which comprise the balance sheet as of December 31, 2025, and the related statement of operations, member's deficit, and cash flows for the period from January 31, 2025 to December 31, 2025, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of ICD Franchising, LLC as of December 31, 2025, and the results of its operations and its cash flows for the period from January 31, 2025 to December 31, 2025, 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 (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of ICD Franchising, LLC 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 Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

Forvis Mazars, LLP

**St. Louis, Missouri
May 28, 2026**

ICD Franchising, LLC
Balance Sheet
December 31, 2025

Assets

Prepaid expenses	\$ 15,000
------------------	-----------

Total Assets	\$ 15,000
---------------------	------------------

Liabilities and Member's Deficit

Liabilities

Due to related parties	\$ 55,127
------------------------	-----------

Total Liabilities	55,127
--------------------------	---------------

Member's Deficit	(40,127)
-------------------------	-----------------

Total Liabilities and Member's Deficit	\$ 15,000
---	------------------

ICD Franchising, LLC
Statement of Operations
For the Period January 31, 2025 to December 31, 2025

Net Sales	<u>\$ -</u>
Operating Expenses	
Legal fees	11,000
Franchise consulting fees, net of prepayment discount	25,500
Other operating expenses	<u>3,627</u>
	<u>40,127</u>
Net Loss	<u><u>\$ (40,127)</u></u>

ICD Franchising, LLC
Statement of Member's Deficit
For the Period January 31, 2025 to December 31, 2025

Balance, January 31, 2025	\$ -
Net loss	<u>(40,127)</u>
Balance, December 31, 2025	<u><u>\$ (40,127)</u></u>

ICD Franchising, LLC
Statement of Cash Flows
For the Period January 31, 2025 to December 31, 2025

Operating Activities	
Net loss	\$ (40,127)
Changes in	
Due to related parties	55,127
Prepaid expenses	<u>(15,000)</u>
Net Cash from Operating Activities	<u>-</u>
Change in Cash	-
Cash, Beginning of Period	<u>-</u>
Cash, End of Period	<u><u>\$ -</u></u>

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

ICD Franchising, LLC (the “Company”) is a Missouri limited liability company organized on January 31, 2025. The Company is a wholly owned subsidiary of ICD Holdings, LLC (the “Member”) and is managed by the Member. The Company was formed to oversee all aspects of the franchising business for the Clementine’s Naughty and Nice Ice Cream brand, including the development, administration, and oversight of franchise operations.

The Company’s primary activities include preparing and maintaining the Franchise Disclosure Document (“FDD”), developing franchise systems and standards, and supporting franchisees through brand guidelines, operational policies, and other franchising-related services. As of the reporting date, the Company does not have any executed franchise agreements.

The Company does not own real estate and does not directly operate ice cream parlors, production facilities, or retail locations. Those activities are conducted by affiliated entities under common ownership of the Member. In addition, the intellectual property used in connection with the franchising operations, including trademarks, trade names, proprietary recipes, and other intangible assets, is owned by an affiliated entity and licensed for use by the Company pursuant to intercompany arrangements.

For federal and state income tax purposes, the Company is treated as a disregarded entity, and accordingly, the Company’s income, gains, losses, deductions, and credits are included in the tax returns of its sole member, ICD Holdings, LLC. As a result, no provision for income taxes is reflected in the Company’s standalone financial statements.

As of December 31, 2025, the Company had not entered into any franchise agreements and, accordingly, had no franchised locations in operation. During the period from January 31, 2025 to December 31, 2025, the Company’s activities were primarily focused on organizational matters and preparatory efforts related to the establishment of a franchising program.

Specifically, the Company was in the process of preparing and filing its FDD in accordance with applicable federal and state franchising regulations. The Company may not offer or sell franchises until the FDD has been finalized and accepted in jurisdictions that require registration. Management expects that franchise offering activities will commence only after completion of the FDD filing process and satisfaction of applicable regulatory requirements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

At December 31, 2025, the Company did not hold any cash and had no cash activity during the period from January 31, 2025 to December 31, 2025.

Income Taxes

The Company is not directly subject to income taxes under the provisions of the Internal Revenue Code and applicable state laws. Therefore, taxable income or loss is reported to the individual members for inclusion in their respective tax returns and no provision for federal and state income taxes has been included in the accompanying financial statements.

Note 2. Related-Party Transactions

In 2025, the Company's sole Member paid certain operating expenses on behalf of the Company, including professional fees, regulatory and filing costs, and other operating expenses incurred in connection with the Company's franchising activities. These amounts are considered reimbursable to the Member. Total operating expenses paid by the Member on behalf of the Company in 2025 were \$40,127.

The Company recorded the unpaid portion of these amounts within due to related parties on the accompanying balance sheet. The amounts are non-interest bearing and are expected to be settled in the ordinary course of business.

Note 3. Prepaid Expenses

Prepaid expenses consist primarily of amounts paid in advance under agreements for consulting and development, services related to the Company's franchising operations. These amounts were prepaid by the sole Member during 2025 and, therefore, are included in due to related parties, to be reimbursed to the sole Member.

Included in prepaid expenses as of December 31, 2025 are prepaid consulting and development services under a multi-phase franchise development agreement, which are expected to be recognized as expenses as services are performed.

The prepaid amounts are expected to be amortized to expense over the period in which the related services are rendered, generally within the next twelve months.

Note 4. Franchise Consulting Agreement

In March 2025, the Company entered into a franchise consulting agreement with Big Sky Franchise Team ("Big Sky"), a third-party consulting firm specializing in franchise development. Under the agreement, Big Sky is engaged to provide consulting and support services related to the development and implementation of the Company's franchising program.

Services to be provided under the agreement include, among other things, preparation of a franchise blueprint and strategic plan, assistance with the development of franchise-related documentation, including materials to support the preparation of the Franchise Disclosure Document ("FDD") by the Company's franchise attorney, development of franchise operations manuals, franchise marketing and lead generation planning, and implementation and advisory services related to franchise sales and operations. Big Sky does not provide legal services, and the Company is required to engage separate legal counsel to finalize all legal franchising documents, including the FDD and franchise agreements.

The agreement covers a twelve-month period and provides for total fees of \$45,000. The Company elected to pay the fees in full upon execution of the agreement and, as a result, received a 10% discount. Amounts paid under the agreement are non-refundable and relate solely to consulting and advisory services. As of December 31, 2025, no franchise agreements had been executed and the Company had not commenced franchise sales activities.

Note 5. Subsequent Events

Subsequent events have been evaluated through May 28, 2026 which is the date the consolidated financial statements were available to be issued.

ICD Franchising, LLC
Notes to Financial Statements
For the Period January 31, 2025 to December 31, 2025

Capital Contribution

On April 24, 2026, the Company received a capital contribution of \$200,000 from its sole Member, ICD Holdings, LLC. The contribution was made to provide additional liquidity to support the Company's ongoing organizational activities and to fund the continued development and implementation of its franchising program. Specifically, the contributed funds are expected to be used to support working capital needs, including professional fees, regulatory and filing costs, and other expenditures associated with finalizing the FDD and preparing for the commencement of franchise offering activities in 2026. Management believes this capital contribution will enable the Company to continue executing its business plan and advance its franchising operations in accordance with applicable regulatory requirements.

ICD Franchising, LLC

Balance Sheet

As of May 31, 2026

Assets

Cash	\$	197,469
Prepaid Expenses		1,739
Total for Current Assets		199,208
Fixed Assets		
Accumulated Depreciation		(367)
Computer Software		5,500
Total for Fixed Assets		5,133
Total for Assets	\$	204,342

Liabilities and Equity

Accrued Expenses	\$	2,935
Intercompany Payable		87,494
Total for Current Liabilities		90,429
Total for Liabilities		90,429
Equity		
Contributed Capital		200,000
Retained Earnings		(40,127)
Net Income		(45,961)
Total for Equity		113,912
Total for Liabilities and Equity	\$	204,342

EXHIBIT F
LIST OF FRANCHISEES
As of December 31, 2025

None.

EXHIBIT G

FORM OF RELEASE

GENERAL RELEASE

[USED IN EVENT OF TRANSFER]

In consideration of the agreement of ICD FRANCHISING, LLC (“Franchisor”) to consent to the assignment by _____ (“Franchisee”) of its Franchise Agreement dated _____ between Franchisee and Franchisor (the “Agreement”), Franchisee hereby releases and forever discharges Franchisor, and all affiliates of Franchisor, and their respective governors/directors, managers/officers, owners/shareholders/members, employees, and agents, in their corporate and individual capacities, and their respective heirs, personal representatives, successors, and assigns, from any and all claims Franchisee may have against such parties, from the beginning of time to the date hereof, known or unknown, whether in law or in equity, including, but not limited to, any claims arising out of the offer or sale of any franchise to Franchisee, and any matters arising under the Agreement.

NOTWITHSTANDING THE FOREGOING, THIS RELEASE DOES NOT RELEASE ANY CLAIMS THE UNDERSIGNED MAY HAVE THAT MAY NOT BE RELEASED PURSUANT TO THE FRANCHISE LAWS WHERE THE UNDERSIGNED IS A RESIDENT OR WHERE THE FRANCHISED BUSINESS IS LOCATED, TO THE EXTENT REQUIRED BY APPLICABLE LAW.

Date: _____

Name: _____

EXHIBIT H
STATE SPECIFIC ADDENDA

NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES

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

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

ADDENDUM REQUIRED BY THE STATE OF CALIFORNIA

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

CALIFORNIA CORPORATIONS CODE SECTION 31125 REQUIRES THAT WE GIVE YOU A DISCLOSURE DOCUMENT APPROVED BY THE DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION BEFORE A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

Neither we nor any person or franchise broker identified in Item 2 of this disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

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

You must sign a general release if you renew or transfer your franchise. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

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

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

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the Franchise Agreement. These provisions may not be enforceable under California law.

California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

THE FRANCHISE AGREEMENT REQUIRES APPLICATION OF THE LAWS OF MISSOURI. THESE PROVISIONS MAY NOT BE ENFORCEABLE UNDER CALIFORNIA LAW.

THE FRANCHISE AGREEMENT REQUIRES BINDING ARBITRATION. THE ARBITRATION WILL OCCUR AT THE OFFICE OF THE AMERICAN ARBITRATION ASSOCIATION CLOSEST TO OUR PRINCIPAL EXECUTIVE OFFICE WITH EACH PARTY RESPONSIBLE FOR ITS OWN COSTS.

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 PROCEDURES SECTION 1281, AND THE FEDERAL ARBITRATION ACT) TO ANY PROVISIONS OF A FRANCHISE AGREEMENT RESTRICTING VENUE TO A FORUM OUTSIDE THE STATE OF CALIFORNIA.

ADDENDUM REQUIRED BY THE STATE OF HAWAII

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE HAWAII COMMISSIONER OF SECURITIES OR A FINDING BY THE HAWAII COMMISSIONER OF SECURITIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS BEFORE THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS BEFORE THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THESE CONTRACTS OR AGREEMENTS SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

The Franchise Agreement contains provisions requiring a general release as a condition of renewal and transfer of the franchise. Such release will exclude claims arising under the Hawaii Franchise Investment Law.

The Sections in the Franchise Agreement that relate to non-renewal, termination, and transfer are only applicable if they are not inconsistent with the Hawaii Franchise Investment Law. Otherwise, the Hawaii Franchise Investment Law will control.

The Franchise Agreement provides for termination upon bankruptcy. These provisions may not be enforceable under federal bankruptcy law (11 U.S.C. §101, et seq.).

Item 20 will be amended by the addition of the following paragraph:

As of the dates listed in Exhibit J, this disclosure document is or will be effective in Illinois, Indiana and Wisconsin. No states have refused, by order or otherwise, to register these franchises. No states have revoked or suspended the right to offer these franchises. The proposed registration of these franchises has not been involuntarily withdrawn in any state.

ADDENDUM REQUIRED BY THE STATE OF ILLINOIS

Illinois law governs the Agreements.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

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

ADDENDUM REQUIRED BY THE STATE OF INDIANA

The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the Franchise Agreement. These provisions may not be enforceable under Indiana law.

Indiana law makes unilateral termination of a franchise unlawful unless there is a material violation of the Franchise Agreement and the termination is not done in bad faith.

If Indiana law requires the Franchise Agreement and all related documents to be governed by Indiana law, then nothing in the Franchise Agreement or related documents referring to Missouri law will abrogate or reduce any of your rights as provided for under Indiana law.

Item 8, "Restrictions on Sources of Products and Services," is amended by the addition of the following language:

Any benefits derived as a result of a transaction with suppliers for Indiana franchisees will be kept by us as compensation for locating suppliers and negotiating prices for you.

Indiana law prohibits a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Law.

Although the Franchise Agreement requires arbitration to be held in the office of the American Arbitration Association closest to the location of our principal executive office, arbitration held under the Franchise Agreement must take place in Indiana if you so request. If you choose Indiana, we have the right to select the location in Indiana.

ADDENDUM REQUIRED BY THE STATE OF MARYLAND

Item 17 of this disclosure document is modified as follows:

The general release language required as a condition of renewal, sale and/or assignment or transfer will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

The Franchise Agreement provides for termination upon your bankruptcy. This provision might not be enforceable under federal bankruptcy law (11. U.S.C. Sections 101 et seq.), but we will enforce it to the extent enforceable.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of your franchise.

To the extent that any provisions of the Franchise Agreement and/or Franchisee Disclosure Questionnaire require you to assent to any release, estoppel or waiver of liability as a condition to your purchasing a Clementine's Parlor franchise, such provisions are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

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

ADDENDUM REQUIRED BY THE STATE OF MINNESOTA

1. THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

2. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

3. With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subds. 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 transfer of the franchise will not be unreasonably withheld.

4. 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.

5. 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 Statutes, Section 80C.12, Subd. 1(g).

6. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota 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.

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

9. Each provision of this Addendum to the Franchise Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act or the Rules and Regulations are met independently, without reference to this Addendum to the Franchise Disclosure Document, and only to the extent such provision is a then valid requirement of the statute.

ADDENDUM REQUIRED BY THE STATE OF NEW YORK

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR RESOURCES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

Except as provided above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

- A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.
- B. No such party has pending actions, other than routine litigation incidental to the business that is significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.
- C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten years immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.
- D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for a franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; this proviso intends that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "Termination by a franchisee": "You may terminate the agreement on any grounds available by law."

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

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

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

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

ADDENDUM REQUIRED BY THE STATE OF NORTH DAKOTA

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the Franchise Agreement. These provisions may not be enforceable under North Dakota law.

Although the Franchise Agreement provides that the place of arbitration will be held at the American Arbitration Association office that is closest to the location of our principal executive office, we agree that the place of arbitration will be a location that is in close proximity to the site of your business.

The Franchise Agreement requires that you consent to the jurisdiction of a court in close proximity to our principal executive offices. These provisions may not be enforceable under North Dakota law because North Dakota law precludes you from consenting to jurisdiction of any court outside of North Dakota.

Although the Franchise Agreement provides that the Franchise Agreement will be governed by and construed in accordance with the laws of the State of Missouri, we agree that the laws of the State of North Dakota will govern the Franchise Agreement.

A contractual requirement that you sign a general release may be unenforceable under the laws of North Dakota.

Notwithstanding anything contained in the Franchise Agreement to the contrary, each party shall bear its own costs and expenses in connection with any enforcement action brought by either party under the Franchise Agreement.

To the extent any provisions of the Franchise Agreement or requires you to consent to a waiver of exemplary or punitive damages, these provisions will be deleted from the Agreements.

To the extent any provisions of the Franchise Agreement requires you to consent to a waiver of trial by jury, these provisions will be deemed null and void.

ADDENDUM REQUIRED BY THE STATE OF RHODE ISLAND

Even though our Franchise Agreement says the laws of Missouri apply, § 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without reference to this Addendum to the Disclosure Document.

ADDENDUM REQUIRED BY THE STATE OF SOUTH DAKOTA

Except as may be described in Item 3 of this disclosure document, neither we nor any person identified in Item 2 of this disclosure document has any material arbitration proceeding pending, or has during the 10 year period immediately preceding the date of this disclosure document been a party to concluded material arbitration proceedings.

Although the Franchise Agreement requires all arbitration proceedings to be held in the office of the American Arbitration Association closest to the location of our principal executive office, the site of any arbitration started under the Franchise Agreement will be at a site mutually agreed upon by you and us.

We may not terminate the Franchise Agreement for a breach, for failure to meet performance and quality standards and/or for failure to make royalty or advertising payments unless you receive 30 days prior written notice from us and you are provided with an opportunity to cure the defaults.

Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of South Dakota.

The laws of the State of South Dakota will govern matters pertaining to franchise registration, employment, covenants not to compete, and other matters of local concern; but as to contractual and all other matters, the Franchise Agreement will be subject to the applications, construction, enforcement and interpretation under the governing law of Missouri.

Any provisions in the Franchise Agreement restricting jurisdiction or venue to a forum outside of the State of South Dakota or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the South Dakota Franchise Act.

Any provision that provides that the parties waive their right to claim punitive, exemplary, incidental, indirect, special or consequential damages may not be enforceable under South Dakota law.

ADDENDUM REQUIRED BY THE STATE OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for ICD Franchising, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure: The following statements are added to Item 17.h. for the Franchise Agreement:

“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 is defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.”

Under subsection D of § 13.1-559 of the Virginia Retail Franchising Act, for all franchises located in Virginia, the franchise contract or agreement offered or entered into pursuant to terms of this chapter shall be governed by the laws of the Commonwealth of Virginia.

Under subdivision A 4 of § 13.1-563 of the Virginia Retail Franchising Act (“Act”), it is unlawful to offer or enter into a franchise agreement that restricts the right of a franchisee to engage in the business of offering, selling, or distributing goods or services at retail after termination or expiration of the franchise agreement. However, subsection B of § 13.1-563 of the Act provides that if a franchisee sells a franchise at a mutually agreed upon price to a third party or back to the franchisor, such sale may include a term restricting the right of such franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period of no more than two years after such sale.

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **CONFLICT OF LAWS.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

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

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

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

executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **STATUTE OF LIMITATIONS AND WAIVER OF JURY TRIAL.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

7. **TERMINATION BY FRANCHISEE.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

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

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

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

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

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

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

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

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

15. **NONSOLICITATION AGREEMENTS**. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.

As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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

17. **PROHIBITIONS ON COMMUNICATING WITH REGULATORS**. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

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

WISCONSIN ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT

Item 17 of the Disclosure Document is amended by the addition of the following paragraph:

"For franchisees subject to the Wisconsin Fair Dealership Law, Ch. 135, Wisconsin Stats. 1981-82, provisions in the Fair Dealership Law supersede any inconsistent provisions of the Franchise Agreement or a related contract."

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

Each provision of this addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Wisconsin Franchise Law or the Rules and Regulations

promulgated thereunder are met independently without reference to this addendum to the Franchise Disclosure Document.

EXHIBIT I
FRANCHISEE DISCLOSURE QUESTIONNAIRE
(see attached)

FRANCHISEE DISCLOSURE QUESTIONNAIRE

THIS DOCUMENT SHALL NOT BE SIGNED BY YOU, AND WILL NOT APPLY, IF THE OFFER OR SALE OF THE FRANCHISE IS SUBJECT TO THE STATE FRANCHISE REGISTRATION/DISCLOSURE LAWS IN THE STATES OF CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

DO NOT SIGN THE ACKNOWLEDGEMENT IF THE FRANCHISE IS TO BE OPERATED IN, OR YOU ARE A RESIDENT OF, MARYLAND.

As you know, ICD Franchising, LLC (“we”, “us” or “our”) and you are preparing to enter into a Franchise Agreement for the operation of a Clementine’s ice cream parlor franchise. The purpose of this Questionnaire 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, to be certain that you have been properly represented in this transaction, and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. **You cannot sign or date this Questionnaire the same day as the Receipt for the Franchise Disclosure Document but you must sign and date it the same day you sign the Franchise Agreement and pay your franchise fee.** Please review each of the following questions carefully and provide honest responses to each question. If you answer “No” to any of the questions below, please explain your answer on the back of this sheet.

- Yes__ No__ 1. Have you received and personally reviewed the Franchise Disclosure Document (“**Disclosure Document**”) we provided?
- Yes__ No__ 2. Did you sign a receipt for the Disclosure Document indicating the date you received it?
- Yes__ No__ 3. Do you understand all the information contained in the Disclosure Document and the Franchise Agreement?
- Yes__ No__ 4. Have you reviewed the Disclosure Document and the Franchise Agreement with a lawyer, accountant or other professional advisor?
- Yes__ No__ 5. Have you discussed the benefits and risks of developing and operating a Clementine’s parlor franchise with an existing Clementine’s parlor franchisee?
- Yes__ No__ 6. Do you understand the risks of developing and operating a Clementine’s parlor franchise?
- Yes__ No__ 7. Do you understand the success or failure of your franchise will depend in large part upon your skills, abilities and efforts and those of the persons you employ, as well as many factors beyond your control such as weather, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace?
- Yes__ No__ 8. Do you understand we have only granted you a limited territorial protection against us locating another Clementine’s parlor near your Clementine’s parlor(s) as stated in your Franchise Agreement and that another Clementine’s parlor franchise, licensee or company-owned Parlor may open anywhere outside your limited protected territory or at a Non-Traditional Site inside your protected territory.

- Yes__ No__ 9. Do you understand we and our affiliates retain the exclusive unrestricted right to engage, directly or through others, in the production, distribution and sale of ice cream, other food products, and other products under the Clementine's name or other mark, at any location, other than a Clementine's parlor at a traditional site within your limited protected territory, or by any method of distribution even within your limited protected territory, and these other locations or methods of distribution may compete with your Clementine's parlor(s) and adversely affect its sales?
- Yes__ No__ 10. Do you understand that the only radius restriction concerning where another franchised or company Clementine's parlor may open is the limited protected territory specified in your Franchise Agreement?
- Yes__ No__ 11. Do you understand that most disputes or claims you may have arising out of or relating to the Franchise Agreement must be litigated in the federal and state courts located in the district of our principal executive office, or arbitrated at the office of the American Arbitration Association closest to the location of our principal executive office?
- Yes__ No__ 12. Do you understand that you or your Operating Partner and any Parlor Manager(s) must satisfactorily complete our initial training course before we will allow your Clementine's parlor to open?
- Yes__ No__ 13. Has any employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Clementine's parlor franchise that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?
- Yes__ No__ 14. Has any employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in the Franchise Agreement, concerning advertising, marketing, media support, marketing penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Disclosure Document?
- Yes__ No__ 15. Has any employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Clementine's parlor franchise will generate, that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?
- Yes__ No__ 16. Do you understand that the Franchise Agreement contain the entire agreement between us and you concerning the franchise for your Clementine's parlor, meaning any prior oral or written statements not set out in the Franchise Agreement will not be binding?

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

Signature of Franchise Applicant

Name (please print)

Dated _____

Signature of Franchise Applicant

Name (please print)

Dated _____

Signature of Franchise Applicant

Name (please print)

Dated _____

Signature of Franchise Applicant

Name (please print)

Dated _____

Special note for residents of the State of Maryland and franchised businesses located in Maryland: Nothing in this Franchisee Disclosure Questionnaire shall act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Explanation of any negative responses [refer to question number and use additional paper if necessary]:

EXHIBIT J

STATE EFFECTIVE DATES AND RECEIPTS

(see attached)

STATE EFFECTIVE DATES

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

This Disclosure Document is either 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
Illinois	Pending
Indiana	Pending
Wisconsin	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.

RECEIPT

This Disclosure Document summarizes provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If ICD Franchising, LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Maryland, New York and Rhode Island require that ICD Franchising, LLC provide you with this Disclosure Document at the earlier of the first personal meeting or at least ten (10) business days before you sign a franchise or other agreement with, or make payment to, us or one of our affiliates in connection with the proposed sale. Michigan, Oregon and Washington require that we give you this Disclosure Document at least ten (10) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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

The name, principal business address, and telephone number of each franchise seller offering the franchise is as follows: Tamara Keefe and Eddie Cajina, ICD Franchising, LLC, 8014 N. Broadway, St. Louis, MO 63147-2417, (314) 858-6100; and _____.

The issuance date of this Franchise Disclosure Document is July 15, 2026 (except those states listed on Attachment 1 that have a different effective date).

We authorize the respective agents identified on Exhibit A to receive service of process for us in the particular states.

I received a Disclosure Document from ICD Franchising, LLC dated as of July 15, 2026, that included the following Exhibits:

- A State Agencies and Administrators and Franchisor's Agents for Service of Process
- B Franchise Agreement
- C Expansion Option Agreement
- D Operations Manual Table of Contents
- E Financial Statements
- F List of Franchisees
- G Form of Release
- H State Specific Addenda
- I Franchisee Disclosure Questionnaire
- J State Effective Dates and Receipts

[Signature(s) on next page.]

Dated: _____

PROSPECTIVE FRANCHISEE:

If a corporation or LLC:

If an individual:

(Name of corporation or LLC)

(Signature)

By: _____

(Print Name)

Its _____
(Title)

(Signature)

(Print Name)

(Print Name)

(Signature)

(Print Name)

Address of corporation, LLC, or individual(s): _____

OUR COPY- RETURN TO US

RECEIPT

This Disclosure Document summarizes provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If ICD Franchising, LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Maryland, New York and Rhode Island require that ICD Franchising, LLC provide you with this Disclosure Document at the earlier of the first personal meeting or at least ten (10) business days before you sign a franchise or other agreement with, or make payment to, us or one of our affiliates in connection with the proposed sale. Michigan, Oregon and Washington require that we give you this Disclosure Document at least ten (10) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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

The name, principal business address, and telephone number of each franchise seller offering the franchise is as follows: Tamara Keefe and Eddie Cajina, ICD Franchising, LLC, 8014 N. Broadway, St. Louis, MO 63147-2417, (314) 858-6100; and _____.

The issuance date of this Franchise Disclosure Document is July 15, 2026 (except those states listed on Attachment 1 that have a different effective date).

We authorize the respective agents identified on Exhibit A to receive service of process for us in the particular states.

I received a Disclosure Document from ICD Franchising, LLC dated as of July 15, 2026, that included the following Exhibits:

- | | |
|---|--|
| A | State Agencies and Administrators and Franchisor's Agents for Service of Process |
| B | Franchise Agreement |
| C | Expansion Option Agreement |
| D | Operations Manual Table of Contents |
| E | Financial Statements |
| F | List of Franchisees |
| G | Form of Release |
| H | State Specific Addenda |
| I | Franchisee Disclosure Questionnaire |
| J | State Effective Dates and Receipts |

[Signature(s) on next page.]

Dated: _____

PROSPECTIVE FRANCHISEE:

If a corporation or LLC:

If an individual:

(Name of corporation or LLC)

(Signature)

By: _____

(Print Name)

Its _____
(Title)

(Signature)

(Print Name)

(Print Name)

(Signature)

(Print Name)

Address of corporation, LLC, or individual(s): _____

YOUR COPY- RETAIN FOR YOUR FILES