FRANCHISE DISCLOSURE DOCUMENT

<u>Plan C Franchising, LLC</u>
a Delaware limited liability company
1345 Carmia Way
North Chesterfield, Virginia 23235
Telephone: (804) 944-9464
Website: www.cocky-rooster.com
Email: gimmeone@cocky-rooster.com

The franchise offered is for a take-out food and drink provider, doing business as "The Cocky Rooster"® trade name that serves fresh, cooked-to-order, hand-sauced or dry-rubbed and tossed chicken wings, boneless wings, proprietary breaded chicken tenders, chicken strips, thighs, chicken breast sandwiches, and also offers vegetarian, vegan wings, beverages, seasoned regular and sweet potato fries. Each business may offer catering and the business may consist solely of to-go only sales or to-go sales with courtesy seating.

The total investment necessary to begin operation of a The Cocky Rooster franchise is from $404,250 to $590,750. This includes $30,000 that must be paid to the franchisor or affiliate for a single Business. If you enter into a Multi-Unit Development Rider to develop more than one Business, You will pay a development fee equal to $10,000 multiplied by the number of Businesses to be developed under the Multi-Unit Development Rider. You will also pay a franchise fee equal to $30,000 for each Business to be developed under the Multi-Unit Development Rider. We will credit $10,000 of the development fee you pay against the franchise fee due for each Business.

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.**

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "<u>A Consumer's Guide to Buying a Franchise</u>," 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 <u>www.ftc.gov</u> 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 28, 2023

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit B includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only The Cocky Rooster 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 The Cocky Rooster franchisee?	Item 20 or Exhibit E 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 I.

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

Special Risks to Consider About *This* Franchise

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

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

PLAN C FRANCHISING, LLC
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EXHIBITS

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

Franchisor

Plan C Franchising, LLC is a Delaware limited liability company that was formed on December 1, 2020, and is referred to in this Disclosure Document as "We," "Us," or "Our"). In this Disclosure Document, We refer to the person or entity that will be signing the Franchise Agreement (defined below) as the franchisee, "You" or "Your". Our principal place of business in the United States is 1345 Carmia Way, North Chesterfield, Virginia 23235. We do business under Our corporate name The Cocky Rooster. We own the right to use and license others to use the trademark The Cocky Rooster, the design trademarks described in this document and our proprietary recipes and business methods associated with those trademarks in the United States. Our agents for service of process are listed in Exhibit I. of this Disclosure Document. We refer to the person or entity that will be signing the Franchise Agreement (defined below) as the franchisee, "You" or "Your".

Our Business Activities

Our sole business activity is providing third parties the opportunity and license to operate The Cocky Rooster restaurants through entry into a franchise agreement as contained in this disclosure document. We have never offered franchises or license agreements for any other business concept.

Predecessors, Parents and Affiliates

Our parent is Plan B Partners, LLC ("Plan B Partners"), a Virginia limited liability company which has a principal business address located at 1345 Carmia Way, North Chesterfield, Virginia 23235. Our parent does not offer franchises for any type of business.

In addition to owning us, Plan B Partners owns a controlling interest in our affiliates that operate the first two The Cocky Rooster businesses in the Commonwealth of Virginia.

Description of Franchise

We offer franchises for the right to establish and operate food service businesses specializing in selling fresh, cooked-to-order, hand-sauced or dry-rubbed and tossed chicken wings, boneless wings, proprietary breaded chicken tenders, chicken strips, thighs, chicken breast sandwiches, and also offers vegetarian, vegan wings, beverages, seasoned regular and sweet potato, trading under the name and logo of "**The Cocky Rooster**" (our "Marks"). We refer to each such business as a "Business". We do not and have never offered franchises for any other type of business.

Each Business will operate under the service mark **"The Cocky Rooster"** (or "**Cocky Rooster**") and the additional principal service marks, trademarks, trade names, logos, emblems and indicia of origin identified with us, as well as all other marks which may be designated by Us in the future in writing (the "Marks"), and under a comprehensive food preparation and marketing system (the "System") in accordance with the terms of the Franchise Agreement. Each Business will offer a full menu of variations of chicken wings, including vegan and vegetarian options, for purchase by take-out, delivery though an exclusive third-party service, or catering. The food items will be prepared in accordance with Our proprietary recipes and ingredients.

Our parent has issued us a long-term license to use the Marks and the System and to sublicense franchisees to do so. Our rights to continue to sub-license the Marks and the System are subject to conditions and are not perpetual.

We expect that your site will be approximately 900 to 1500 square feet and may be located in strip shopping centers, stand-alone buildings, urban or suburban office buildings, hotels, and mixed-use complexes. We may approve operating the Business from a location that is smaller but is part of a food court or food hall facility.

We offer a standard Multi-Unit Development Rider that provides limited exclusivity in a defined geographic area (the development "Territory") for you to develop three or more Businesses. This agreement is attached to this document as Exhibit "B". Under the Multi-Unit Development Rider, you will be granted the right (and you will assume the responsibility) to develop and open a specified number of Businesses in a geographically defined Territory. The Multi-Unit Development Rider also will state the schedule, by date, pursuant to which the Businesses must be developed, opened and operating (the "Development Schedule") in its Schedule A, which is an important part of the Multi-Unit Development Rider. Under the Multi-Unit Development Rider, you will be required to sign the then-current form of Franchise Agreement as additional Businesses are opened. We also offer franchises for a single Businesses within a smaller protected territory, pursuant to our standard Franchise Agreement that is attached to this document as its "Exhibit C".

The market for the food products and services offered by the Business is developed and highly competitive, as is the market for obtaining locations for the Business. You may have to compete with numerous restaurants and food service business offering a wide range of food items in a wide variety of service formats. However, we believe that our take-out format and the food and beverage products offered by the Business enhance our competitive position.

<u>Industry Regulations</u>

In addition to the laws and regulations applicable to businesses generally, You should consider the federal, state and local laws, rules and ordinances related to the method of food preparation and sanitation conditions applicable to businesses in the restaurant and food service industry.

ITEM 2
<u>BUSINESS EXPERIENCE</u>

Lucas A. Phillips, Chief Executive Officer

Mr. Phillips has been our Chief Executive Officer since July of 2021 in Richmond, Virginia. He also has been a member and manager of our parent company, Plan B Partners, LLC, since its founding in 2019. He has also been the Owner of No Ceiling LLC, d/b/a Sky Zone Richmond located in North Chesterfield, Virginia since December 2013.

Brett Diehl, Chief Brand Officer

Mr. Diehl has served as the Chief Brand Officer since July of 2021 in Richmond, Virginia. He was our Chief Executive Officer from our founding in December 2020 until July 2021, and has been a member and manager of our parent company, Plan B Partners, LLC, since its founding in 2019, also in Richmond, Virginia. Mr. Diehl also has been the Chief Financial Officer of Burger Bach Partners, LLC, located in Richmond, Virginia since June 2013.

Daniel H. Brantingham, Board Chair

Mr. Brantingham has been Chair of our Board of Directors since our founding in 2020. Mr. Brantingham is a Member and Manager of our parent Plan B Partners, LLC, operating from Richmond, Virginia, since September 2019. He has also been the President and Chief Executive Officer of Burger Bach Partners, LLC, located in Richmond, Virginia since December 2012.

Jeff Platt, Franchise Consultant

Mr. Platt has been a Member of our parent company Plan B Partners, LLC since January 2021. He was the President of Sky Zone LLC, in charge of all franchise related matters and functions, from the year 2009 until October of 2020 in Los Angeles, California.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Initial Franchise Fee and Development Fee: You must pay us an initial franchise fee of $30,000 for the right to establish a Business under a Franchise Agreement, payable upon execution of the Franchise Agreement.

If you choose to enter into a Multi-Unit Development Rider to develop more than one franchise Business, you must pay us a Development Fee equal to $10,000 multiplied by the number of Businesses that you agree to open under the terms of the Multi-Unit Development Rider. We charge an initial franchise fee of $30,000 for each Business to be developed under the terms of the Multi-Unit Development Rider. We will credit $10,000 of the development fee you pay against the initial franchise fees due for each Business when you sign each Franchise Agreement.

Except as described below, the basis for calculating the development fee will be the same for all franchisees entering into Multi-Unit Development Riders under this offering; however, the actual dollar amount paid may vary depending on the number of Businesses You commit to develop. The initial franchise fee is the same for all franchisees under this offering.

Unless otherwise provided in this Disclosure Document, the initial franchise fees and any development fees are not refundable under any circumstances.

Initial Training Fee: We do not charge a fee for the initial training of two management personnel (as those terms are defined in the Franchise Agreement) at a Cocky Rooster Business designated by us. At Your request, and subject to availability, we will provide initial training to additional personnel of yours, but we charge a fee for that additional initial training. Our current initial training fee for additional personnel is $2,500 per person to be trained, plus the transportation, lodging and miscellaneous out-of-pocket expenses of our personnel who perform the training. This fee represents our cost of providing the training, including our administrative costs of making personnel available for training purposes, and the cost of materials. You must pay the initial training fee for the additional personnel before training begins, and the initial training fee is non-refundable. The initial training fee is charged uniformly to all franchisees under this Disclosure Document, although actual dollar amounts may vary depending on how many additional persons are trained.

Site Evaluation Fee: If you request this service, we will provide up to one on-site evaluation of proposed sites for a Business at no charge; provided We have the right to require You to reimburse Us for Our expenses incurred (such as the cost of travel, lodging and meals). If the Franchise Agreement does not relate to your first Business, We reserve the right to charge a reasonable fee for any on-site evaluation as described below. If we determine that additional on-site evaluations are necessary, or you reasonably request additional on-site evaluations, you must pay us a fee for the evaluation and must reimburse us for all of our expenses (such as the cost of travel, lodging, and meals) incurred in performing the evaluation. Our current site evaluation fee is $1,500, which must be paid, along with our reimbursable expenses, within 15 days after we bill you. This fee is charged uniformly to all franchisees under this Disclosure Document, although the actual dollar amounts paid may vary depending on the number of site evaluations and the expenses we incur in performing the services. Site evaluation fees and expenses are non-refundable.

Pre-opening and Opening Assistance: We provide on-site pre-opening and opening assistance for one (1) week immediately preceding and one (1) week immediately following the Opening Date for up to your first two Businesses. There is no fee for this assistance and we will pay our expenses in providing the pre-opening and opening assistance. However, for Area Developers We will provide this assistance without additional charge only for the first two Businesses developed by You, and for all subsequent Businesses We will determine if continued support is necessary, and if so, provide it at our then-current per diem rate, plus Our expenses.

Any additional assistance you request is billed at the then-current per diem rate, plus our expenses. Our current fee is $250 per day for each person providing assistance.

ITEM 6
OTHER FEES

Fees (1)	Amount	Due Date	Remarks
Royalty Fee (2)	5% of Aggregate Sales	Bi-weekly each Tuesday, for sales the prior week Monday through Sunday	Amounts due will be withdrawn by ACH from Your designated bank account on a bi-weekly basis.
Brand Building Fund	1% of Aggregate Sales	Bi-weekly each Tuesday, for sales the prior week Monday through Sunday	Amounts due will be withdrawn by ACH from Your designated bank on a bi-weekly basis.
Local Advertising	Minimum of 1% of Aggregate Sales, measured quarterly	Report is due on the 15th day after each calendar quarter ends, and payment of deficiency is due with the report	Your required expenditures for Local Advertising must be a minimum of 1% of Aggregate Sales each calendar quarter, and if you don't spend the minimum then you must pay the deficiency to the Brand Building Fund.
Training of Additional, Replacement and Successor Personnel	You must pay the current fee being charged to franchisees generally for such training, plus expenses. The current initial training fee is $2,500.	The initial training fee is payable before we train your new personnel; expenses are payable when billed	The manager of your Business must complete our training program. We don't charge a training fee for initial training of 2 people. You must pay this fee for additional manager training that we provide.
Pre-Opening and Opening Assistance	In the case of Area Developers, for the third and all subsequent Businesses developed by You, we will determine if continued support is necessary, and if so, provide it at our then-current per diem fee plus Our expenses. Our current per diem fee is $250 per trainer.	When billed	We provide on-site pre-opening and opening assistance for two (2) weeks immediately preceding and one (1) week immediately following the Opening Date for up to Your first two Businesses at no charge. Any additional assistance You request or we deem necessary is billed at the current per diem rate, plus Our expenses.

Fees (1)	Amount	Due Date	Remarks
Remedial Training	You must pay the current per diem fee being charged to franchisees generally for such training, plus expenses. The current per diem training fee for remedial training is $250 per trainer.	Per diem fee is payable before remedial training; expenses are payable when billed	We reserve the right to charge a fee for remedial training. You are responsible for all of your staff members' expenses (such as the cost of travel, lodging and meals) if such training is held in a location away from your Business.
Failed Inspection Fee	If your Business fails an inspection, You are provided with a ten (10) day cure period to rectify such items that caused the failed inspection. If there is not an acceptable remedy after the ten (10) day cure period, then a fee determined by Us may be applicable.	Within 15 days of providing inspection report	Our costs may include our then-current per diem fee, which currently is $250 per day, plus expenses of travel incurred by our representative to conduct the inspection. The fee may be issued and adjusted in our sole discretion.
Non-Compliance Fee	Up to $2,500 per notice of violation	7 days after notice of violation.	We may assess a non-compliance for violations of the Franchise Agreement and other applicable manuals. We reserve all other rights and remedies.
Transfer Fee	50% of the initial franchise fee then being charged to franchisees; If You have an existing franchise, 25% of the initial franchise fee then being charged.	Submitted with transfer application	The fee shall be paid in acceptable electronic payments or wire transfers that We approve. You must have 20% substantial interest in the franchise where transfer approval is needed.

Fees (1)	Amount	Due Date	Remarks
Renewal Fee	The greater of 25% of then-current Initial Franchise Fee being charged to franchisees or $10,000.	On signing renewal franchise agreement	You must give Us not less than twelve (12) months nor more than eighteen (18) months' notice prior to the end of the initial term or first renewal term, as applicable; remodel to current standards; sign then-current form of franchise agreement; satisfy all monetary obligations to Us; and sign a general release (see Exhibit F).
Relocation	Our per diem rate, which is currently $250 per day, plus any travel expenses that we may incur for evaluating a replacement location	When billed	You may relocate your Business to any location that is within 1 mile of your originally approved location, provided that you receive our advance written approval for a replacement location.
Insurance Placement	110% of the cost for insurance we place on your behalf	30 days from billing	If you fail to obtain or maintain any required insurance, we may obtain that insurance for the Business and require you to reimburse us for that cost, plus an administrative fee of 10%
Audit Fee	Cost of audit	When billed	Payable only if We find, after an audit, that You have understated any amount You owe to Us by more than 2%.
Interest	18% or highest rate allowed by applicable law, whichever is less.	On Demand	Interest may be charged on all overdue amounts that have not been paid within 10 days of payment date.

Fees (1)	Amount	Due Date	Remarks
Late Payment or Reporting, or Declined ACH Payment (NSF)	$100 per late payment or late report	On Demand	If You fail to pay royalties when due or fail to submit royalty reports weekly as required, including if our direct debit of your account is rejected due to insufficient funds in your account ("NSF"), We will charge you this fee in addition to interest that accrues on amounts owed.
Enforcement Costs	To be determined	On demand	If you violate the franchise agreement and we enforce its terms, you must reimburse us for all attorneys' fees and other costs we incur to do so.

Notes:

(1) All fees and expenses described in this Item 6 are non-refundable. Except as otherwise indicated in the preceding chart, we impose all fees and expenses listed and you must pay them to us. Except as specifically stated above, the dollar amounts given (but not percentage (%) rates) may be subject to increases based on changes in market conditions, the cost of providing services and future policy changes. While dollar-amount fees will be uniformly imposed, other Cocky Rooster franchisees will pay fees at different percentage rates depending on when they sign their franchise agreement with us.

(2) "**Aggregate Sales**" means all amounts received by your Business as a result of its sale of any products, including delivery or service fees and amounts received from redemption of any gift card, but not including the following:

(a) Sums representing sales taxes collected directly from customers, based on present or future laws of federal, state or local governments, collected by You in the operation of the Business, and any other tax, excise or duty which is levied or assessed against You by any federal, state, municipal or local authority, based on sales of specific merchandise sold at or from the Business, provided that the taxes are actually transmitted to the appropriate taxing authority; and

(b) The dollar value of complimentary food and beverages provided, including, without limitation, those provided for house errors, employees, management, and advertising and promotional programs (collectively, "Comps"); provided, however, that the total amount of the reduction for Comps for any week may not exceed five percent (5%) of the dollar amount of total gross sales, net of sales taxes, for that week.

All Royalty Reports must demonstrate Franchisee's calculation of Aggregate Sales. We may authorize certain other items to be excluded from Aggregate Sales. Any exclusion may be revoked or withdrawn at any time by us.

The royalty fee will be withdrawn from Your designated bank account by automated clearing house ("ACH") based on Aggregate Sales from the preceding bi-weekly accounting period (see Section 8.2 of the Franchise Agreement), unless We require otherwise.

If the Royalty Report has not been received within the time period required under the Franchise Agreement, We may, at Our option, process an ACH for the royalty based on (i) information regarding Franchisee's Aggregate Sales for the preceding bi-weekly accounting period obtained by Us from your point of sales system, or (ii) the most recent Royalty Report provided to Us by You. If the actual amount of the Royalty Fee due was more than the amount of the ACH received by us, then we may immediately withdraw additional funds through ACH from Your designated bank account for the difference. If the actual amount of the Royalty Fee due was less than the amount of the ACH received by us, then we must, at our option, return the excess amount to you or credit the excess amount to the payment of your future royalty obligations.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Expenditure (1)	Estimated Amount (Low)	Estimated Amount (High)	Method of Payment	When Payable	To Whom Paid
Initial Franchise Fee (2)	$30,000	$30,000	By check or wire transfer	On signing Franchise Agreement	Us
Leasehold Improvements (3)	$150,000	$250,000	As Invoiced	As Arranged	Independent Contractors
Lease Security Deposit and First Month's Rent (4)	$3,750	$12,500	Per Lease	Monthly	Landlord
Equipment (5)	$120,000	$140,000	As Invoiced	As Arranged	Approved Vendors
Furnishings and Fixtures (6)	$7,500	$20,000	As Invoiced	As Arranged	Approved Vendors
Signage, artwork and menus (7)	$10,000	$20,000	As Invoiced	As Arranged	Approved Vendors
Initial Inventory (8)	$10,000	$15,000	As Invoiced	As Arranged	Designated Vendors
POS and Computer Equipment (9)	$5,000	$7,000	As Invoiced	As Arranged	Designated Vendor
Utilities Deposits (10)	$1,000	$2,000	As Incurred	As Incurred	Utility Suppliers
Business licenses, permits, etc. (11)	$1,000	$2,000	As Incurred	As Arranged	Various Agencies

Expenditure (1)	Estimated Amount (Low)	Estimated Amount (High)	Method of Payment	When Payable	To Whom Paid
Insurance deposits and premiums (12)	$1,500	$2,250	As Invoiced	As Arranged	Independent Carrier
Grand Opening Advertising	$2,000	$4,000	As Arranged	As Arranged	Advertising Agencies or Suppliers
Training Travel Expenses	$1,000	$2,000	As Invoiced	As Incurred	Airlines and Hotels
Professional Fees	$1,500	$4,000	As Arranged	As Arranged	Independent Contractors
Additional Funds (13)	$60,000	$80,000	As Arranged	As Incurred	Employees, Vendors, Us
TOTAL	**$404,250**	**$590,750**			

Notes:

(1) Except as otherwise stated, all costs listed in the Item 7 table above are nonrefundable.

(2) You must pay us an initial franchise fee of $30,000 for the right to establish a Business under a Franchise Agreement or a Multi-Unit Development Rider. The initial franchise fee is non-refundable under the terms of the Franchise Agreement and the Multi-Unit Development Rider. We did not list the $30,000 development fee separately in the table above because we will credit any development fee you pay against the initial franchise fee due for each Business you develop under a Multi-Unit Development Rider.

(3) The cost of leasehold improvements will vary depending on numerous factors, including: (i) the size and configuration of the premises; (ii) pre-construction costs (e.g., demolition of existing walls and removal of existing improvements and fixtures); and (iii) cost of materials and labor, which may vary based on market conditions and geographic location. These figures are our best estimate based on remodeling/finish-out rates and conditions with respect to the Cocky Rooster Businesses currently operating in southern Virginia. These amounts may vary substantially based on local conditions, including the availability and prices of labor and materials. These costs may also vary depending on whether certain of these costs will be incurred by the landlord and allocated to You over the term of the lease, and may be lower if we approve you to retrofit an existing building for your Business or if your landlord funds any portion of the improvements for your premises.

(4) We estimate that you will require approximately 900 to 1500 square feet of floor space for a Business in a strip shopping center, stand-alone building, regional shopping mall, urban office building, hotel or mixed-use complex. This estimate is based on a lease rate of $25-$50 per square foot per year. The actual amount you pay under the lease will vary substantially based on the prevailing rental rates in the geographic region, the type of location, the amount of square footage, the types of charges that are allocated to tenants under the lease, and your ability to negotiate with landlords.

(5) You must purchase certain equipment meeting our specifications to be used in the kitchen and food preparation areas, including ovens, stoves, prep stations, refrigeration units, storage units and

other items such as small wares. We have established relationships with equipment vendors for certain equipment used in the Business that meet our specifications.

(6) These amounts represent your costs for furnishing the "front of the house" of the Business including the counters where customers place orders.

(7) These amounts represent your cost for murals, logos and outdoor signage and descriptive signs, awnings, menus and interior art. Your Landlord may have different restrictions it places on interior and exterior signage, which may affect your costs.

(8) These amounts represent your initial inventory of food supplies, beverages, and paper goods for use in the first month of operating the Business.

(9) You must obtain and use in the Business an electronic point of sale payment system approved by us from a vendor that we approve. We have the right to poll and monitor your system at our discretion. You must pay the cost for us to initiate access to your system through our monitoring software. The cost estimate provided in this Item 7 is based on a quote for a hardware system meeting our standards, as well as an office computer and wiring the Business with secure telecommunications cable.

(10) This is an estimated cost of security deposits you must pay to utilities serving for the Business including, but not limited to, electricity, water, and gas.

(11) These are estimates of the costs for obtaining local business licenses and permits (including a liquor license), which typically remain in effect for one year. These figures do not include occupancy and construction permits which are included in the leasehold improvement cost estimates. The cost of these permits and licenses will vary substantially depending on the location of the Business.

(12) These figures are estimates of the insurance premiums for the first calendar quarter from placement; note that insurance must be placed and made effective during build-out of the location, which may be weeks before opening.

(13) These amounts are Our estimate of other amounts needed to cover Your expenses prior to and through the three months after you open your Business, including: lease payments; the cost of advertising and promotional expenditures; payroll for a management personnel and hourly employees; inventory; utilities and telephone service, and other costs. These figures are estimates and we cannot assure you that you will not have additional expenses starting the Business. Your actual costs may vary and will depend on factors such as your management skill, experience and business acumen; local economic conditions; the local market for products; the prevailing wage rate; competition; and the sales level reached during the start-up phase. These amounts do not include any estimates for debt service.

Multi-Unit Development Rider

In addition to the costs described above, if you enter into a Multi-Unit Development Rider with us the following additional estimated initial investment is required:

Expenditure	Estimated Amount	Method of Payment	When Payable	To Whom Paid
Development Fee (1), (2)	$10,000 for each Business to be developed	By check or wire transfer of immediately available funds	On signing Multi-Unit Development Rider	Us

(1) If you enter into a Multi-Unit Development Rider to develop more than one franchise Business, You must pay a development fee at the time you sign the Multi-Unit Development Rider equal to $10,000 multiplied by the number of Businesses to be developed under the terms of the Multi-Unit Development Rider. We will credit $30,000 of the development fee you pay against the initial franchise fees due for each Business when you sign each Franchise Agreement.

(2) Actual start-up costs pertaining to the actual Businesses opened under the Multi-Unit Development Rider are as estimated in the first table in this Item 7, subject to potential increases over time or other changes in circumstances. If you execute a Multi-Unit Development Rider, Your professional fees, such as legal, accounting, and other fees may be higher; however, we cannot provide you with a specific estimate for these additional costs because we have not recently worked with any franchisees who have signed development agreements.

The estimates provided are based on the experience of our affiliates in opening 2 storefront The Cocky Rooster Business in the Richmond, Virginia area since the year 2019. While the estimates are current as of the date of this Disclosure Document, your costs may vary due to changes in market conditions, increases in charges by third-party suppliers and service providers, and future changes in our policies regarding required equipment and other operating assets.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases and Other Acquisitions

In developing the Business, You are not required to purchase or lease and install any fixtures, furnishings, equipment (including electronic cash registers, computer hardware and software), decor items, signs and related items from Us, our Parent, our Affiliate(s). However, we do require all of the aforementioned to conform to the standards and specifications that we provide in Our operating manuals, and to be purchased from suppliers who we approve in writing.

You may not install or permit to be installed on the Business premises any fixtures, furnishings, equipment, decor items, signs, or other items unless required or approved in the Manuals or otherwise approved by Us in writing. If you lease any of the property described above from a third party, we must approve the lease in writing before it is signed. We will not approve the lease unless it permits your interest in the lease to be assigned to us if the Franchise Agreement terminates or expires and prohibits the lessor from imposing an assignment fee or related fee on assignment.

To ensure that the highest degree of quality and service is maintained, you must operate the Business in strict conformity with the methods, standards and specifications that we prescribe in the Manuals or otherwise in writing. This includes, but is not limited to, purchasing food and beverage supplies and ingredients from sources who we require or approve. We can, and expect to, modify our standards and specifications as we deem necessary. We will provide you notice of any changes in the Manuals or other written materials.

You must permit Us or Our agents, at any reasonable time, to remove a reasonable number of samples of food and beverage items from Your inventory or from the Business free of charge for testing by Us or by an independent laboratory, to determine whether the samples meet Our then-current standards and specifications. In addition to any other remedies we may have, we may require you to pay for the testing if we have not previously approved the supplier of the item or if the sample fails to conform to our specifications.

Required and Approved Suppliers, Products and Services

At this time, neither we nor any of our affiliates, nor any company owned by any of our officers, is an approved or designated supplier of any inventory or other goods or items that you will use in operating the Business. However, we reserve the right to designate our self, an affiliate of ours, or a company in which one or more of our officers own an interest as a supplier of your Business in the future.

You must use our mandatory broad-line food distributor. You must purchase the following items from our food distributor: all required food items and ingredients. Moreover, we may require you in the future to purchase other types of critical food ingredients from a single source, and also require you to purchase other types of branded supplies or promotional products from us or a sole designated supplier. We may change our Approved Suppliers for required purchases for your Business from time to time as we reasonably deem appropriate using our business judgment. The primary purpose of such arrangements is to ensure consistent quality of service and brand image, and with regard to such designated product sources you must pay shipping and handling charges, a reasonable mark-up by the supplier and an amount to compensate Us for Our administrative overhead in connection with these arrangements.

You must obtain all food and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment (including electronic cash registers, computer hardware and software), and other products used or offered for sale at the Business solely from suppliers who demonstrate, to Our continuing reasonable satisfaction, the ability to meet Our then-current standards and specifications.

Our criteria for supplier approval, in general terms, are that the supplier must have adequate quality controls and the capacity to supply your needs promptly and reliably, and that our approval of the supplier will not negatively impact the pricing that other franchised and company-owned Businesses receive from our previously approved suppliers. If you wish to purchase, lease or use any products or other items from an unapproved supplier, you must submit a written request for approval, or must request the supplier to do so. You may not make any purchases from that supplier unless and until we have approved such supplier in writing. We can require that our representatives be permitted to inspect the supplier's facilities and that samples from the supplier be delivered either to us or to an independent laboratory for testing. You must pay the cost of the inspection, and the actual cost of the test must be paid by you or the supplier. Our supplier approval procedure does not obligate us to approve any particular supplier. However, we will notify you, within 30 days after we complete the inspection and evaluation process, of our approval or disapproval of any proposed supplier. We reserve the right to re-inspect the facilities and products of any approved supplier and to revoke our approval in writing if the supplier fails to continue to provide quality products or services, promptly and reliably, or if your continued use of the supplier negatively impacts the Businesses' relationship with previously approved suppliers of the same goods or services. Moreover, we may require that any supplier of ingredients or consumables agree to supply those items through our exclusive broad-line distributor.

We may require you to offer catering services (for pick-up from the Business) and also to offer delivery through an exclusive third-party service. You must require each person providing catering services to comply with all laws, regulations and rules of the road and to use due care and caution when operating.

Proprietary Products; Advertising Materials

We may develop for use in the System certain products which are prepared from confidential proprietary recipes and other proprietary products which bear Our Marks. Because of the importance of quality and uniformity of production and the significance of those products in the System, it is to your and our benefit that we closely control the production and distribution of those products. Accordingly, if those products become a part of the System, You will use only our proprietary recipe and other proprietary products and you will purchase those items solely from us or from a source designated by us.

All advertising and promotional materials, signs, decorations, paper goods (including menus and all forms and stationery used in the Business) and other items we designate must bear our logos and trademarks in the form, color, location and manner we prescribe. In addition, all of your advertising and promotion in any medium must be conducted in a dignified manner and must conform to the standards and requirements in the Manuals or other written materials. You must obtain our approval before you use any advertising or promotional materials and plans if we have not prepared or approved them during the 12 months immediately preceding their proposed use.

Insurance

Before you open the Business for business, you must obtain the insurance coverage for the Business at the minimum policy limits specified below. This insurance coverage must be maintained during the term of the Franchise Agreement and must be obtained from a responsible carrier or carriers reasonably acceptable to us and that have an A.M. Best Company rating of A+.

1. Comprehensive General Liability Insurance, including broad form contractual liability, broad form property damage, personal injury, advertising injury, completed operations, products liability and fire damage coverage, in the amount of $2,000,000 combined single limit.

2. "All Risks" coverage for the full cost of replacement of the Business premises and all other property in which we may have an interest, with no coinsurance clause.

3. Crime insurance for employee dishonesty in the amount of $10,000 (combined single limit).

4. Workers' compensation insurance in amounts provided by applicable law or, if permissible under applicable law, any legally appropriate alternative providing substantially similar compensation to injured workers, subject to the conditions stated in the Franchise Agreement.

5. Other insurance required by your landlord and the state or locality in which the Business is located and operated.

You may, after obtaining our written consent, elect to have reasonable deductibles under the coverages required under paragraphs 1 - 5 described above. All of the policies must name Us, Our affiliates and the respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them as additional insureds and must include a waiver of subrogation in favor of all those parties.

Services

You are solely responsible for employing and paying all people who work in your Business, and for complying with all laws applicable to employing and paying workers. However, to ensure that you comply with those requirements, we may require you to utilize the services of a payroll processing and human resources service provider who we have approved.

You also are responsible for maintaining accurate records of the revenues earned and expenses incurred in operating the Business, and for complying with tax and other laws applicable to the receipt of revenues and net profits from the business. If we determine it to be necessary we may require you to utilize a bookkeeping or accounting service provider who we have approved.

Negotiated Prices and Supplier Payments to Us

We have negotiated purchase arrangements, including price terms, with designated and approved suppliers on behalf of the System, and you must purchase specified items from certain suppliers that we designate. If we receive discounts on purchases of equipment, electronic cash registers and software from approved suppliers, such discounts will also be made available to you if you purchase through these suppliers.

Over the course of time, when we or our outsourced provider negotiate special purchase arrangements with suppliers, such as food or equipment suppliers, these special purchase arrangements may generate income for us. Specifically, a supplier may provide us a commission (or rebate) based on a percentage of the sales price of the products purchased by you. Unless specified by that supplier, we may utilize any such payments from suppliers in whatever way we determine. We began franchising this year and thus we did not receive any revenues as a result of franchisee purchases during our last fiscal year.

Your Required Purchases

You must purchase or lease virtually all goods and services necessary to establish and operate the Restaurants from Us, our designees, from suppliers approved by us, or in accordance with our specifications. You also must implement and use Cocky Rooster Operating Workstations (C.R.O.W.) in the operation of their business. C.R.O.W. is a proprietary operations workstation that increases operational efficiency by featuring a user-friendly interface, among other advanced features. We provide you with access to and use of C.R.O.W. at no additional charge, beyond payment of Royalty Fees, but you must use it to access our order guide so that you place orders for products with approved suppliers.

We estimate that approximately 85% to 90% of Your purchases and leases to establish the Franchised Business will be from approved suppliers and in accordance with Our specifications, although none will be from us or our affiliates. We estimate that approximately 85% to 90% of Your purchase and leases to operate the Franchised Business on an ongoing basis, exclusive of salaries and wages, will be in accordance with Our specifications or from approved suppliers, who may be us or our affiliates.

Material Benefits

We do not provide any material benefits to you if you buy from sources we approve. However, when determining whether to grant new or additional franchises, we consider many factors, including compliance with the requirements described above.

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	Article/Section in Franchise Agreement/Multi-Unit Development Rider	Item in Disclosure Document
a. Site selection and acquisition/lease	Section 2 of Franchise Agreement	Items 5, 6, 7, 8, 10 and 11
b. Pre-opening purchases/leases	Section 14, Section 15, of Franchise Agreement	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	Section 5, Section 10.2, Section 14, Section 15, and Section 17 of Franchise Agreement	Items 7 and 11
d. Initial and ongoing training	Section 10 of Franchise Agreement	Items 5, 6 and 11
e. Opening	Section 2, Section 3.2(g), and Section 5.5 of Franchise Agreement	Item 11
f. Fees	Section 8 of Franchise Agreement and Section 2.3 of Multi-Unit Development Rider	Items 5, 6 and 7
g. Compliance with standards and policies/Manuals	Section 7, Section 11, and Section 19	Items 8, 11, 14 and 16
h. Trademarks and proprietary information	Section 20 and Section 21 of Franchise Agreement	Items 13 and 14
i. Restrictions on products/services offered	Section 7 and Section 9 of Franchise Agreement	Items 8 and 16
j. Warranty and customer service requirements	Section 6 of Franchise Agreement	None
k. Territorial development and sales quotas	Section 5 and Section 2 of Multi-Unit Development Rider	Item 12
l. Ongoing product/service purchases	Section 9 and Section 14 of Franchise Agreement	Items 8 and 16
m. Maintenance, appearance and remodeling requirements	Section 5 and Section 15 of Franchise Agreement	Item 16
n. Insurance	Section 17 of Franchise Agreement	Items 7 and 8
o. Advertising	Section 16 of Franchise Agreement	Items 6 and 11

Obligation	Article/Section in Franchise Agreement/Multi-Unit Development Rider	Item in Disclosure Document
p. Indemnification	Section 18 of Franchise Agreement	Items 10 and 13
q. Owner's participation/ management/staffing	Section 4 of Franchise Agreement	Items 1, 11 and 15
r. Records and Reports	Section 8.2, Section 12, Section 13, and Section 16.2(e), and Section 16.3 of Franchise Agreement	Item 6
s. Inspections and audits	Section 5, Section 8.6, Sections 13 of Franchise Agreement	Items 6, 8 and 11
t. Transfer	Section 23 of Franchise Agreement and Section 5 of Multi-Unit Development Rider	Items 6 and 17
u. Renewal or Extension of Rights	Section 3.2 of Franchise Agreement	Items 6 and 17
v. Post-termination obligations	Section 25 of Franchise Agreement and Article VIII of Multi-Unit Development Rider	Item 17
w. Non-competition covenants	Section 22 of Franchise Agreement	Item 17
x. Dispute Resolution	Section 30 of Franchise Agreement	Item 17
y. Other – Personal Guaranty	Sections 6.3 and Section 23.2 of Franchise Agreement	Item 15

ITEM 10
<u>FINANCING</u>

We do not offer, either directly or indirectly, any financing arrangements to you. We do not guarantee your notes, leases or other obligations.

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

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

Pre-Opening Obligations: Before the opening of a Business, We will provide the following assistance and services:

1. Our written site selection guidelines and the site selection assistance we deem advisable. (Franchise Agreement, Section 2).

2. If you request this service, up to one on-site evaluations for your first site at no charge (except reimbursement for Our reasonable expenses incurred in providing such on-site evaluations, including, without limitation, the cost of travel, lodging and meals), and additional on-site evaluations as We deem necessary or in response to Your reasonable request for site approval at an additional charge per on-site evaluation.

3. Provide standardized layouts for your Business, and review and provide comments on your architecture or design build plans, to which you must obtain our written approval. (Franchise Agreement, Section 5).

4. Solely as a loan to you, provide you with access to our Manuals which We may revise from time to time. (Franchise Agreement, Section 11). The Manuals, as further described below, will include:

a. The list and contact information for our approved and required suppliers.

b. Pre-opening and marketing materials, our social media policies, and instructions on our approved exclusive third-party delivery methods; and

c. Guidance on employment methods and models that our affiliates have used in operating their Businesses, provided that such information is strictly advisory in nature.

5. An initial training program for your primary owner and 2 managers, as further described below. If You wish to have additional personnel trained, We currently charge $2,500 per person. (Franchise Agreement, Section 10).

8. One (1) week of on-site pre-opening assistance at your first Business. (Franchise Agreement, Section 10.2).

Time to Open for Business: We estimate that the time from the signing of the Franchise Agreement to the commencement of operations of the Business will be approximately five (5) to nine (9) months. This time may be shorter or longer depending on the time necessary to obtain an accepted site, to obtain financing, to obtain the permits and licenses for the construction and operation of the Business, to complete construction or remodeling as it may be affected by weather conditions, shortages and other similar factors, to complete the interior and exterior of the Business, including decorating, purchasing and installing fixtures, equipment and signs, and to complete preparation for operating the Business, including purchasing inventory and supplies. You must obtain our approval for the location of each Business, and you must acquire the approved location (by purchase or lease) within sixty (60) days of obtaining our approval. You must open each Business for business within twelve (12) months of signing the franchise agreement, unless You obtain a written extension of this time period from Us. If You do not obtain a site that We approve and construct the Business in compliance with the timeline described above, We may, in Our sole discretion, terminate the Franchise Agreement or the Multi-Unit Development Rider, if applicable. (Franchise Agreement, Section 24.2).

Post-Opening Obligations: We are obligated by the Franchise Agreement to provide the following services and assistance after the opening of the Business:

1. As we reasonably determine necessary, visits to and evaluations of the Business and the products and services provided at the Business to ensure that the high standards of quality, appearance and service of the System are maintained. (Franchise Agreement, Section 9.1).

3. Advertising and promotional materials that we develop from time to time for in-store marketing and Local Advertising for the Business, at a reasonable cost to You. (Franchise Agreement, Section 9.1).

4. Advice and written materials (including updates to the Manuals) concerning any generally-applicable updates in the System for operating a Business, including any new developments and improvements in equipment, food products, packaging and preparation that we implement in our affiliate's Businesses and deem appropriate for implementation at franchised Businesses. (Franchise Agreement, Section 9.1).

5. Make available certain merchandise as we may develop from time to time, including promotional products and memorabilia, for use in the Business and for resale to Your customers, in quantities sufficient to meet Your customer demand, at a reasonable cost. (Franchise Agreement, Section 9.1).

6. Training programs and seminars and other related activities regarding the operation of the Business as We reasonably deem necessary or appropriate, which Your management personnel and other Business personnel may be required to attend. (Franchise Agreement, Section 9.2).

7. Certain on-site remedial training for Your Business personnel when You reasonably request it or as We deem appropriate due to deficiencies in how you operate the Business. In either case, we may require You to pay the per diem fee of the employees providing the training, as well as Our expenses in providing the training. (Franchise Agreement, Section 9.2).

8. Once instituted, administration of the advertising fund and cooperatives. (Franchise Agreement, Section 16.2).

Brand Building Fund: We administer an advertising, marketing and public relations fund (the "Fund") to advertise and promote the Businesses. You must contribute one percent (1%) of the Aggregate Sales of the Business for each week to the Fund, which amount must be paid in the same manner as the Royalty Fees payments. During the term of the Franchise Agreement, We may require You to allocate to the Fund all or part of Your required Local Advertising expenditures and/or Cooperative contributions (described below).

The Fund will be maintained and administered by Us or Our designee as follows; we do not have a franchisee council that advises us on system marketing.

1. We direct all advertising programs and have sole discretion to approve the creative concepts, materials and media used in the programs and their placement and allocation, including the geographic areas where the advertisements are directed, which may be local, regional or national.

Advertising programs and the use of the Fund may be directed to markets for individual Businesses, or general nation-wide or region-wide campaigns, in our sole discretion. All advertisements are intended to improve the collective success and recognition of the System. For Businesses operated by Us or Our affiliates, We, or Our affiliates, will contribute to the Fund generally on the same basis as You. In administering the Fund, We and Our designees are not required to make expenditures for You that are equivalent or proportionate to Your contribution to the Fund or to ensure that any particular franchisee benefits directly, or pro rata, from the placement of advertising.

2. The Fund may be used to satisfy any and all costs of developing, preparing, producing, directing, administering, conducting, maintaining and disseminating advertising, marketing, promotional and public relations materials, programs, campaigns, sales and marketing seminars and training programs of every kind and nature, through media now existing or hereafter developed including, without limitation, the cost of updating, improving and maintaining our website and our presence on other Internet websites, including "social media platforms;" preparing and conducting Internet, television, radio, direct mail and outdoor billboard advertising; public relations activities; conducting marketing research and employing advertising agencies to assist with such research. We may use amounts paid by You to the Fund to defray Our reasonable administrative costs and overhead that We may incur in the administration and/or direction of the Fund and advertising programs for franchisees and the System. We may not use the Fund proceeds for programs solely to promote the franchise opportunity, although we may use it to improve and promote our consumer-oriented websites that also contain information on franchise opportunities. The Fund is operated solely as a conduit for collecting and expending the Fees as outlined above. Any sums paid to the Fund that are not spent in the year they are collected will, in our sole discretion, be spent in the following year.

3. We will prepare an annual statement of the operations of the Fund that will be made available to You upon request. We are not required to have the Fund statements audited.

4. Although the Fund is intended to be perpetual once established, We may terminate the Advertising Fund at any time. The Fund will not be terminated, however, until all monies in the Fund have been spent for advertising or promotional purposes or returned to the contributing franchisees.

We do not provide an accounting of how advertising fees are spent but we will make Our internal records of Advertising Fund expenditures available to franchisees upon reasonable written request.

We are not obligated to conduct any advertising on your behalf, except through administration of the Fund as described above.

Other Advertising Requirements: You are required to spend up to $5,000 on a pre-opening and opening marketing strategy to promote your Business. We will provide You with such assistance with Your marketing strategy as We deem necessary in our discretion. Unless otherwise approved by Us in writing, Your marketing strategy must be maintained during the 30 days prior to and 30 days after the Opening Date of Your Business.

You also must spend quarterly, throughout the term of the Franchise Agreement, 1% of the Aggregate Sales of the Business on local advertising and promotion of the Business. This amount is not paid to Us, but rather is spent by You. This is subject to auditing at intervals or such time periods as we deem necessary, in our sole discretion.

We must approve all advertising before You use it. You must not advertise or use Our Marks in any fashion on the Internet or via other means of advertising through telecommunication without Our prior express written consent. You must provide Us with an advertising expenditure report to show that

You have complied with the Local Advertising requirement on or before the 15th day following the end of each calendar quarter.

We may, in Our sole discretion, designate any geographic area in which two (2) or more of The Cocky Rooster Businesses are located as a region for purposes of establishing an advertising cooperative ("Cooperative"). The members of any Cooperative shall consist of all of The Cocky Rooster Businesses in the geographic region, whether operated by Us, Our affiliates or Our franchisees, with each Business having one vote on decisions to be made by the Cooperative. Each Cooperative shall be organized and governed in a form and manner, and shall commence operation on a date, determined in advance by Us in our sole discretion. We have the right to dissolve, merge or change the structure of the Cooperatives. Each Cooperative shall be organized for the exclusive purpose of administering advertising programs and developing, subject to Our approval, promotional materials for use by the franchisee members in Local Advertising. If a Cooperative has been established for a geographic area where Your Business is located when the Franchise Agreement is signed, or if any Cooperative is established during the term of the Franchise Agreement, You must sign all documents We request and become a member of the Cooperative according to the terms of the documents. A copy of the Cooperative documents applicable to the geographic area in which Your Business will be located will be provided to You upon request.

You must contribute to the Cooperative the amounts required by the documents governing the Cooperative. However, You will not be required to contribute more than 1% of Your Aggregate Sales during each Accounting Period to the Cooperative unless, subject to Our approval, the members of the Cooperative agree to the payment of a larger fee as approved by an affirmative vote of at least 65%. The payments may be applied by You toward satisfaction of Your Local Advertising requirement. Your contributions to a Cooperative may also be allocated by Us to the Advertising Fund, as described above. All contributions to the Cooperative will be maintained and administered in accordance with the documents governing the Cooperative. The Cooperative will be operated solely as a conduit for the collection and expenditure of the Cooperative fees for the purposes outlined above. No advertising or promotional plans or materials may be used by the Cooperative or furnished to its members without first obtaining Our approval. Currently, no Cooperatives exist. Each Cooperative will be obligated to prepare an annual financial statement reporting its expenditures for the previous calendar year to its members.

We will not require your aggregate advertising contributions or payments for any calendar year (whether in the form of Local Advertising Expenditures and/or contributions to the Advertising Fund and/or Cooperative), to exceed three percent (3%) of Your Aggregate Sales for such calendar year.

Neither the Advertising Fund nor any Cooperative will use any funds for advertising that is principally a solicitation for the sale of franchises for Businesses.

Except as described above, We are not obligated to spend any amount on advertising in the area where Your Business is located.

Training:

The subjects covered during the initial training program, and the approximate hours of classroom training and on the job training provided during the initial training program are described below:

TRAINING PROGRAM

Day	Subject	Hours of Classroom Training	Hours of on the Job Training	Location
1 (9 to 5)	Orientation & C.R.O.W. training	8	0	Short Pump, Henrico, Virginia
2 (9 to 5)	Prep Position C.R.O.W.	2 2	0 4 0	Short Pump, Henrico, Virginia
3 (Noon to 10 p.m.)	Position Dashboard/P&L	0 2	8 0	Short Pump, Henrico, Virginia
4	Marketing, C.R.O.W. (10 am to 1 pm) Main Street Position (4 pm to 3 am)	3 0	0 11	Short Pump, VA Richmond, VA
5	Pre-Opening Checklist/Budget/Timelines (10 to 1) Main Street Position (4 pm to 12 am)	3 0	0 8	Short Pump, VA Richmond, VA
6	Review (10 a.m. to 6 p.m.)	TBD	TBD	Short Pump, VA
	Total	20	31	Richmond, Virginia

No later than 45 days before the date the Business begins operation, Your management personnel must complete, to Our satisfaction, Our initial training program. Specifically, your principal owner must complete our 8-hour, 1-day orientation program, and 2 managers who you employ must complete the entire training program, in order, as described above.

You will be responsible for all expenses You and Your management personnel and/or other personnel incur for any training program, including costs of travel, lodging, meals and wages. The initial training program will be conducted over a period of 1 week. Training will generally be conducted five (5) days per week for an average of eight (8) hours per day. The subjects and time periods allocated to the subjects actually taught to a specific franchisee and its personnel may vary based on the experience and skill levels of those persons being trained. We will conduct the initial training program at various times during the year as necessary and appropriate to adequately and timely train our new franchisees.

Our primary trainers are specified below, along with the subjects for which they will lead training and their relevant experience:

Lucas Phillips (Founding Partner), Personal Management & Scheduling; Cash Flow Management

- CEO – The Cocky Rooster, LLC
- Franchise Partner – Sky Zone Richmond (Dec 2013 – Present)
- Franchise Partner – Sky Zone Virginia Beach (Jan 2016 – Present)
- Founder - Hatch Solutions LLC – (Mar 2012 – Mar 2015)
- Sales Representative – Phillips Sales Inc (Sep 2011 – Mar 2012)
- Founder – SML Parasail – (April 2008 – Sep 2011)

Brett Diehl (Founding Partner) – Operations, Food Preparation, Marketing and POS System

- CFO – Burger Bach (April 2019 – Present)
- Operations Director -Burger Bach (Feb 2017 – April 2019)
- Virginia Director – Burger Bach (Mar 2015 – Feb 2017)
- Managing Director – Burger Bach (July 2013 – Mar 2015)

Daniel Brantingham (Founding Partner)– Orientation & Confidentiality, and Financial

- Managing Partner – Wong's Tacos (Jan 2023 – Present)
- CEO - Burger Bach (Dec 2012 – Present)
- Founder - Harlan Consulting, LLC (Jan 1995 – Present)
- Founder – Brandeau Wines, LLC (2006 – 2015)
- CEO – Café Caturra (2007 – 2010)
- President – Restauranteur (2004 – 2007)

Will Phillips (Partner)

- Franchise Partner – Sky Zone Richmond (Dec 2013 – Present)
- Franchise Partner – Sky Zone Virginia Beach (Jan 2016 – Present)
- Founder – Hatch Solution LLC (Mar 2012 – Mar 2015)
- Executive Producer – Southpeak Games (Oct 2008 – Mar 2012)
- Champion – Gun Fest Tournament (Nov 2010)
- Founder – SML Parasail (April 2008 – Sep 2008)

Michael Yates (Partner)

- Vice President – Burger Bach Partners (2021 – Present)
- Culinary Director, Multi-Unit Management (2015 – 2021)
- Leadership Management, New Store Openings (2013 – 2016)
- 16 years in the restaurant business
- 7 years of multi-unit management
- Bachelor's Degree in Hospitality and Tourism Management, Virginia Tech
- Culinary Arts Degree, Illinois Institute of Art, Chicago

The instructional materials used in the initial training consist of Our Business Operators Manual, The Table of Contents for our primary Business Operators Manual, which consists of 35 pages plus template exhibits, is attached as Exhibit G to this Disclosure Document; we also have supplementary manuals for various other aspects of restaurant operations, such as training of your Business's kitchen and customer service staff.

We will provide the initial training program at no charge to You, although you are responsible for all of the expenses incurred by your management personnel to travel to and participated in the training program, including any salary or other compensation to that person during the training period. We may charge a reasonable fee for providing initial training to any additional or replacement managers of the Business or to other Business personnel. Our current initial training fee for additional personnel is $2,500 per trainee. If the management personnel do not satisfactorily complete the initial training program, or if We determine that either or both of these persons cannot satisfactorily complete the training program, You will be required to designate a replacement to satisfactorily complete the training program in exchange for the additional training fee. Any management personnel subsequently designated by You must also receive and complete the initial training. If You fail to have a replacement manager attend training and complete it to our reasonable satisfaction, We may charge You a support fee of $2,000 per week for the person we designate until replacement management personnel is trained or certified.

A representative of ours with experience in the operation of a THE COCKY ROOSTER Business will provide five (5) days of on-site training and assistance in the days surrounding the opening to the public of your Business. For any additional assistance requested by You and any similar assistance that We provide to a replacement Business, if the premises are destroyed or the Business is required to be closed for any other reason, you shall pay to Us the per diem fee then being charged to franchisees generally for trained representative assistance, plus Our expenses incurred in providing such assistance, including, without limitation, costs of travel, lodging, and meals. Our current per diem fee for such assistance is $500. For the third and subsequent franchised Businesses opened under a Multi-Unit Development Rider, you may apply for permission to provide training to the managing partner for the additional Businesses and, if we deem you capable of doing so in our sole discretion, then we will not require such additional management to attend headquarters training and we will not provide on-site startup support as we have for your first two locations.

We may approve You to conduct all training programs for your managers and/or other personnel. If We approve You to provide training, You are required, at Your expense, to conduct the initial training program and other training programs for any replacement or successor management personnel and other Business personnel. In that case, We may require You to have any person You train receive Our training certification, for which we may charge a reasonable fee not exceed the per diem rate of the personnel conducting the certification and their expenses incurred in conducting the certification.

The management personnel and other Business personnel must attend all additional training programs and seminars that We require. For all of these programs and seminars, We will provide the instructors and training materials. We will not charge an attendance fee for any mandatory training programs; however, We reserve the right to charge a reasonable fee for the additional training programs and seminars that We provide on an optional basis. You will also be responsible for all expenses You, Your management personnel and/or other Business personnel incur in participating in any additional mandatory or optional training, including costs of travel, lodging, meals, and wages.

If You reasonably request or as We deem necessary due to your operational deficiencies, We will, during the term of the Franchise Agreement and subject to the availability of personnel, provide You with additional trained representatives who will provide on-site remedial training to Your Business personnel. For such additional training, You will be required to pay the per diem fee then being charged to franchisees under the System for the services of Our trained representatives, plus their costs of travel, lodging and meals. Our current per diem fee for such assistance is $500.

Site Selection: You will select the site for your Business at your cost, in accordance with our site selection guidelines, and subject to Our approval. Our guidelines for site selection guidelines may require that You conduct, at Your expense, an evaluation of the demographics of the market area for the location (including the population and income level of residents in the market area), aerial photography, size and other physical attributes of the location, tenant mix, proximity to residential neighborhoods and proximity to schools, shopping centers, entertainment facilities and other businesses that attract consumers and generate traffic.

We will have twenty (20) days after We receive information and materials from You concerning your proposed site in the form we specify to issue our approval or disapproval of the proposed site, subject to a site inspection. After we have approved Your proposed site, You will then enter into a Franchise Agreement with Us for the Business to be developed on that site. You must obtain Our approval of any sale or lease contract before You sign it. If You do not obtain a site that We approve within the time periods specified, We may, in Our sole discretion, terminate the Multi-Unit Development Rider, and not enter into a Franchise Agreement with You with respect to the proposed Business.

Lease Approval: You must obtain Our approval of the site for the Business before You acquire the site. You must also obtain Our approval of any contract of sale or lease for the Business before You execute the contract or lease. We will not approve any lease unless a rider to the lease, prepared by Us, is signed by You, by Us, and by the landlord, and our standard form of Lease Provisions and Collateral Assignment of Lease, which are included as Exhibits A and B to the Franchise Agreement: Alternatively, the lease must contain the following provisions:

1. During the term of the Franchise Agreement, the premises will be used only for the operation of the Business.

2. The landlord consents to Your use of the Marks and signs, decor items, color schemes and related components of the System.

3. The landlord agrees to give Us copies of any and all letters and notices sent to You related to the lease and the premises, at the same time that these letters and notices are sent to You.

4. We may enter the premises to make any modification necessary to protect the System and Marks or to cure any default under the Franchise Agreement or under the lease, without being guilty of trespass or any other crime or tort. The landlord will not be responsible for any expenses or damages resulting from Our conduct of those activities.

5. If We exercise Our option to obtain Your lease, You must assign the lease to Us or one of Our affiliates when the Franchise Agreement expires or terminates, and the landlord will consent to this assignment and will not charge any assignment fee or accelerate rent under the lease.

6. If the lease is assigned, We or any affiliate designated by Us will agree to assume from the date of assignment all of Your obligations remaining under the lease, and We or Our affiliate will assume Your occupancy rights, and the right to sublease the premises, for the remainder of the term of the lease.

7. You will not assign the lease or renew or extend the lease's term without first obtaining Our written consent.

8. The landlord and You will not amend or otherwise modify the lease in any manner that could materially affect any of the above requirements without first obtaining Our written consent.

Computer and Electronic Cash Register Systems: You must purchase and use the TOAST electronic cash register system and compatible hardware . We estimate that the System will cost you between $4,000 - $6,000 depending on your Business model.

We require use of the TOAST cloud-based point of sale system, which will record sales, accept payments, track labor & payroll, track inventory among other functions related to the operation of the Business. The System is designed to enable Us to have immediate access to the information it monitors, including Aggregate Sales information, and there is no contractual limitation on Our access or use of the information We obtain. You must install and maintain equipment and a high-speed telecommunications line in accordance with Our specifications to permit Us to access the electronic cash register (or other computer hardware and software) at the Business premises as described above. Upon our request that you do so, you must ensure that We have access at the times and in the manner We specify, at Your cost.

You must pay a monthly fee to TOAST to use the POS system, Software Subscription, API Subscription, Online Ordering Subscription, Toast Takeout Subscription, Gift Card Program Subscription, Loyalty Program Subscription, Scheduling Pro, and xtraCHEF. Some modules are included in the monthly fee and this fee will vary depending on your Business model. The current ongoing service fee that our affiliate restaurants pay for all modules is $500 per month, per restaurant.

You must execute such forms and documents that We deem necessary to appoint Us your true and lawful attorney-in-fact with full power and authority for the sole purpose of assigning to Us upon the termination or expiration of the Franchise Agreement: (i) all rights to the telephone numbers of Your Businesses and any related and other business listings; and (ii) Internet listings, domain names, Internet Accounts, advertising on the Internet, websites, listings with search engines, e-mail addresses or any other similar listings or usages related to the Business. You have no authority to and will not establish any website or listing on the Internet or World Wide Web without Our express written consent.

ITEM 12
TERRITORY

Franchise Agreement: The Franchise Agreement grants You the right to operate a "The Cocky Rooster" Business at a single location that You select within the Assigned Area and that We approve. Schedule A to the Franchise Agreement will identify the specific street address of the accepted location. You must operate the Business only at the approved location and may not relocate the Business without first obtaining Our written consent. If your possession or ownership of or lease for the premises of the business expires or terminates without your fault, or if the premises are destroyed, condemned or otherwise rendered unusable, or if in our sole judgment there is a change in character of the site of the business sufficiently detrimental to its business potential to warrant its relocation, we will grant you permission to relocate the business to another site acceptable to us. You may not establish or operate another Business unless You enter into a separate Franchise Agreement with Us.

During the term of the Franchise Agreement, if You are in compliance with its terms, We and Our affiliates will not establish a "The Cocky Rooster" Business or authorize any other person or entity to establish a "The Cocky Rooster" Business within an Assigned Area, excluding nontraditional venues (such as airports, stadiums and convention centers) in which We have the right to own and operate Businesses. The Assigned Area will be described in Schedule A to the Franchise Agreement and will cover no less than a one-mile radius. We will determine the Assigned Area based on various market and economic factors such as an evaluation of market demographics, the market penetration of the System and similar businesses, the availability of appropriate sites and the growth trends in the market. We, Our affiliates, and any other authorized person or entity may, at any time, advertise and promote The Cocky Rooster Businesses to people in the Assigned Area, and fill customer orders by providing catering services in the Assigned Area. We and Our affiliates may also offer and sell and authorize others to offer and sell within the Assigned Area: (i) collateral products under the Marks, at or from any location, such as gift cards and gift certificates, pre-packaged food products, memorabilia and other nonfood items, and (ii) any products or food and beverage services under any other names and marks, including over the Internet. We do not have to pay You any compensation for any orders We (or any other approved person) receive from people located in Your Assigned Area. Accordingly, because of the exceptions to your exclusive rights within the Assigned Area, You will not receive an exclusive territory. You may face competition from other franchisees; from outlets that We own; from sale of products under the Marks through other channels of distribution, including the Internet; or from competitive brands that We control.

Multi-Unit Development Rider: Under the Multi-Unit Development Rider, You are assigned a territory where You have to develop three to twelve Businesses in accordance with a specified development schedule (the "Territory") which will be in Schedule A to the Multi-Unit Development Rider and agreed to before it is signed (the "Development Schedule"). The size of the Territory may be an Area of Dominant Influence or "ADI," a single or multi-county area, single state area or some other area, will be described in Schedule A to the Multi-Unit Development Rider, and it will cover no less than a one-mile radius. We will determine the Territory before You sign the Multi-Unit Development Rider based on various market and economic factors such as those described above regarding the Assigned Area.

Except as stated below, if You are in compliance with the Multi-Unit Development Rider, We will not establish or authorize any other person or entity, other than You, to establish a Business within the Territory during the term of the Multi-Unit Development Rider. We, Our affiliates, any "The Cocky Rooster" Business franchisee and any other authorized person or entity may, at any time, advertise and promote the System to people in the Territory and fill customer orders by providing delivery and catering services in the Territory. We and Our affiliates may also offer, sell and authorize others to offer and sell: (i) collateral products under the Marks, at or from any location, such as gift cards and gift certificates, pre-packaged food products and memorabilia, (ii) food and beverage services under the Marks at or through any Business or other permanent, temporary or seasonal food service facility in the Territory providing in whole or in part the products and services offered by a "The Cocky Rooster" Business, as long as such Business or facility does not use any of the Marks as its principal trade name; and (iii) any products or food and beverage services under any other names and marks. In addition, although a Multi-Unit Development Rider will grant to you an exclusive right to develop Businesses within a Territory, We retain the right, within any Territory, to operate Company-owned restaurants in so-called nontraditional venues. "Nontraditional venues" include, but are not limited to, airports, hotels, amusement parks, sports stadiums and complexes, transportations hubs such as train stations, federal and state parks, and college and university campuses, and military bases.

You must exercise the development rights only by entering into a separate Franchise Agreement with Us for each Business. We may, in Our discretion, permit You to exercise the development rights through affiliated entities that are either Your wholly owned subsidiaries or commonly controlled entities with ownership identical to Yours. The Franchise Agreement to be executed for the first Business You develop under the Multi-Unit Development Rider must be signed and delivered to Us concurrently with the signing and delivery of the Multi-Unit Development Rider and will be in the form of the Franchise Agreement attached to this Disclosure Document, although the second half of the initial franchise fee will not be due until five days after we have approved the lease for your first restaurant. All additional Businesses developed under the Multi-Unit Development Rider must be established and operated under Our form of Franchise Agreement then being used by Us for "The Cocky Rooster" Businesses under the System. The then-current form of Franchise Agreement may differ from the form attached to this

Disclosure Document, except that the initial franchise fee will be $30,000, of which you will have paid $10,000 upon signing Your Multi-Unit Development Rider.

You must develop and open each Business in accordance with the Development Schedule. If You fail to open a Business in compliance with the Development Schedule as required in the Multi-Unit Development Rider, or otherwise commit a material event of default under the Multi-Unit Development Rider, We may, in addition to Our other remedies, charge You, at Our option, a late fee equal to 5% of forecasted monthly revenue for each month for which You are in default, and if the default continues, We may terminate or modify Your territorial rights, reduce the area of territorial rights, reduce the number of Businesses that You may establish, and/or accelerate the development schedule under the Development Agreement.

We generally will not grant the right of first refusal to obtain additional Business locations, separate from entry into a Multi-Unit Development Rider. If You wish to obtain an additional location, You must either have entered into a Multi-Unit Development Rider that grants You the right to establish more than one Business or enter into a separate Franchise Agreement for the additional location.

Neither We nor Our affiliates currently operate, franchise, or conduct business through alternative channels of distribution offering products or services similar to those offered by the Business under different marks. If You plan to operate and conduct business through alternative channels of distribution offering products and services similar to those offered by the Business, you must first obtain Our written consent to use such alternative channels.

ITEM 13
TRADEMARKS

Our parent, Plan B Partners, LLC, owns the following trademarks, service marks, trade names, logotypes, and other commercial symbols (“Marks”) which are registered with the United States Patent and Trademark Office ("USPTO") on the principal register, and has licensed them to us:

Mark	Registration Number	Date of Registration
Take Your Wings and Fly	6149607	April 28, 2020
THE COCKY ROOSTER TAKE YOUR WINGS AND FLY (logo)	6521488	October 12, 2021
The Cocky Rooster	6770863	June 28, 2022
Hard Knock Spice	7007567	March 21, 2023

The license agreement from our parent, executed during the year 2021, expires in 2041. However, it will automatically renew for up to 10 consecutive additional 10-year terms, unless we have not complied with our obligations under the License Agreement during a term (in which case the licensor may deny renewal), or we issue a notice of non-renewal to the licensor. Our obligations as licensee are to refrain from use of the Marks in any manner that will detract from a reputation of high-quality products and services, and to refrain from substantial and material improper use of the Marks or the System, such that our actions are likely to adversely affect the validity or protectability of the Marks or the System. If we violate our duties and lose our license to the Marks and the System, then your sub-license to use the Mark and the System also will terminate. In such a scenario, while you may have a claim against us due to our failure to continue your sub-license, you will not have any right to compensation from the ultimate trademark owner.

There are no other agreements currently in effect that significantly limit Our right to use or license the use of the names and Marks in any manner material to the Franchise or Your use of the Marks. In addition, there are no existing infringing uses actually known to Us of Our Marks or names which could materially affect Your use of the trademarks, services marks, trade names, logotypes or other commercial symbols. All necessary affidavits have been filed with the United States Patent and Trademark Office with respect to these registrations.

There are no currently effective determinations of the U.S. Patent and Trademark Office, the trademark trial and appeal board, or the trademark administrator of any state or any court, and there are no pending infringement, opposition or cancellation proceedings or pending litigation involving any of the Marks that may significantly affect the ownership or use of any Mark. We do not have any currently effective agreements that significantly limit our rights to use or license use of any trademarks listed above in a manner material to the franchise.

You must immediately notify Us of any apparent infringement of the Marks or challenge to Your use of any of the Marks or any claim by any person of any rights in the Marks. You and Your Controlling Principals are not permitted to communicate with any person other than Us or any designated affiliate, their counsel and Your counsel involving any infringement, challenge or claim. We can take action and have the right to exclusively control any litigation or Patent and Trademark Office or other administrative or agency proceeding initiated by any infringement, challenge or claim or otherwise relating to any of the Marks. You must execute any and all documents, and do what may, in Our counsel's opinion, be necessary or advisable to protect Our interests in any litigation or Patent and Trademark Office or other administrative or agency proceeding relating to the Marks, or to otherwise protect and maintain Our interests and the interests of any other person or entity having an interest in the Marks.

We will indemnify You against and reimburse You for damages for which You are held liable as a result of Your use of any of the Marks, provided that Your conduct and the conduct of Your Controlling Principals in the proceeding and in using the Marks is and was at all relevant times in compliance with the terms of the Franchise Agreement.

Except as provided above, We are not obligated by the Franchise Agreement to protect any rights granted to You to use the Marks or to protect You against claims of infringement or unfair competition with respect to the Marks. Although We are not contractually obligated to protect the Marks or Your right to use them, as a matter of corporate policy, We intend to defend the Marks vigorously. We have the right to control any proceedings or litigation relating to the Marks.

We may require You to discontinue or modify Your use of any or all of the Marks or to use one or more additional or substitute trade names, service marks, trademarks, symbols, logos, emblems and indicia of origin if We determine that an addition or substitution will benefit the System. You will have to pay all expenses relating to the addition or substitution of any Marks.

We know of no superior prior rights or infringing uses of any Mark that could materially affect Your use of the Marks in this or any other state, except as stated above.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights: We have no patents that are material to the franchise. We have not registered any materials with the U.S. Copyright Office.

Confidential Manuals: Our Manual, operational materials, and other proprietary materials specifically created by us in connection with The Cocky Rooster Business, including the proprietary recipes, advertisements, printed materials and forms are and will be protected under the U.S. Copyright Act, whether or not registrations are obtained. You must use the Manual and other copyrighted materials in a manner consistent with our ownership rights and solely for the promotion of your Business. You also must promptly tell us when you learn about any unauthorized use of copyrighted information. We are not obligated to protect your rights to use our copyrighted materials. You must operate the Business in accordance with the standards and procedures specified in the Manuals. One copy of the Manuals will be loaned to You by Us for the term of the Franchise Agreement.

You must treat the Manuals and other written materials We create or approve for use in Your operation of the Business, and the information contained in them, as confidential. You must not duplicate, copy, record or otherwise reproduce such materials, in whole or in part, or make them available to any unauthorized person. The Manuals and other written materials remain Our sole property and must be kept in a secure place on the Business premises.

We may revise the contents of the Manuals and other written materials and You must comply with each new or changed standard, procedure or other requirement. You must also ensure that the Manuals are kept current at all times. If there is a dispute as to the contents of the Manuals, the terms of the master copy maintained by Us at Our home office will be controlling. You are required to return to Us all pages that are replaced in the Manuals.

There are no agreements currently in effect which significantly limit our right to use or to license the use of our copyrighted materials in any manner material to you. We do not know of any infringing uses of our copyrighted materials which materially affect your use of those materials.

ITEM 15
OBLIGATIONS OF FRANCHISEE TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must designate and retain at all times an individual to serve as the "Operating Principal" and be personally responsible for making sure that the Business operates in compliance with the franchise agreement and the System. If You are an individual, You must perform all obligations of the Operating Principal. If You are a corporation, partnership or other form of entity, the Operating Principal must be one of Your owners who We designate as a Controlling Principal, and must hold an ownership interest of not less than ten percent (10%) of all outstanding ownership interests in You or any entity that directly or indirectly controls You. The Operating Principal's interest in You must remain free of any pledge, mortgage, hypothecation, lien, charge, encumbrance, voting agreement, proxy, security interest or purchase right or option.

The Operating Principal may, at his option and subject to Our approval, designate an individual to perform the duties and obligations of the Operating Principal described in the Franchise Agreement and in this Disclosure Document. However, the Operating Principal will remain fully responsible for the performance of all of the Operating Principal's obligations in the Franchise Agreement, and therefore must take all necessary action to ensure that the designee conducts and fulfills all such obligations. The Operating Principal (or his designee, if applicable) must devote substantial full time and best efforts to the supervision and performance of the Business. The Operating Principal and each person who directly or beneficially owns 20% or more of the equity in the franchisee-entity ("Controlling Principals"), and each Controlling Principal's spouse (and Your spouse if You are an individual), must individually guaranty all of Your obligations and personally abide by the restrictive covenants in the Franchise Agreement.

The Operating Principal (and any designee) must meet Our then current standards for these positions, as provided in the Manuals or other written materials. Under the Franchise Agreement, the Operating Principal (or his designee) must satisfy the training requirements in the Franchise Agreement.

If, during the term of the Franchise Agreement, the Operating Principal or any designee cannot serve as Operating Principal or no longer qualifies, You must promptly notify Us and designate a replacement within 30 days after the Operating Principal or designee stops serving or no longer meets Our requirements. Any replacement must meet the same qualifications listed above and must be approved by Us. You must provide for interim management of the Business until You designate a replacement. This interim management must be conducted in accordance with the Agreements.

We will identify certain persons under the Franchise Agreement and Multi-Unit Development Rider that We refer to in this Disclosure Document as Your Principals. If you are a business entity, Your Principals include the officers and directors (including the officers and directors of Your general partner, if applicable) of such entity whom We designate as Your Principals, and all holders of an ownership interest in You and in any entity that directly or indirectly controls You, and any other person or entity controlling, controlled by, or under common control with You. Each Principal must personally agree to abide by the confidentiality and non-competition covenants in the Franchise Agreement.

If You employ any individual as Managing Director or in a managerial position who is at the time employed in a managerial position by Us or any of Our affiliates, or by another of Our franchisees, You must pay the former employer for the reasonable costs and expenses the employer incurred for the training of the employee. You must also obtain covenants not to compete, including covenants applicable on the termination of the person's relationship with You, from your management personnel who participate in our headquarters training program. You must require all of Your Business personnel to sign covenants that they will maintain the confidentiality of our commercially sensitive information (such as recipes and supplier information) that they receive or have access to based on their relationship with You. These covenants will be in substantially the same form attached to the Franchise Agreement as Exhibit C and the Multi-Unit Development Rider as Exhibit B. We reserve the right, in Our discretion, to decrease the period of time and/or geographic scope of the non-competition covenants contained in the Agreement, including Schedules, or to eliminate the non-competition covenants altogether for any party that is required to sign such covenants as described in this paragraph.

You, each of Your Controlling Principals and Your Controlling Principals' spouses (and Your spouse if You are an individual) are prohibited, during and after the term of the Franchise Agreement, from communicating, or using for the benefit of any other person or entity, and, after the term of the Franchise Agreement, from using for Your or their own benefit, any confidential information, knowledge or know-how concerning the methods of operation of the Business, including any trade secrets, that may be communicated to You or any of Your Controlling Principals or that You or any of Your Controlling Principals may learn or otherwise obtain. During the term of the Franchise Agreement, You and each of Your Controlling Principals can divulge this confidential information only to Your employees who must have access to such information in order operate the Business in accordance with Our specifications. Neither You nor Your Controlling Principals are permitted at any time, without first obtaining Our written consent, to copy, record or otherwise reproduce the Manuals or any other materials containing any confidential information nor make them available to any unauthorized person.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must comply with all of Our standards and specifications relating to the purchase of all food, food products and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment (including electronic cash register, computer hardware and software), paper goods, utensils and other kitchen items and products used or sold at the Business (see Item 8).

You must sell or offer for sale all menu items, food products, and other products and services We require, in the manner and style We require, including dine-in and carry-out, as expressly authorized by Us in writing. You must sell and offer for sale only the menu items, and other products and services that We have expressly approved in writing. You must not deviate from Our standards and specifications without first obtaining Our written consent. You must discontinue selling and offering for sale any menu items, products or services that We may disapprove in writing at any time. We have the right to change the types of menu items, products and services offered by You at the Business at any time, and there are no limits on Our right to make such changes.

You must maintain in sufficient supply and use and sell only the food and beverage items, ingredients, products, supplies, materials, paper goods and other products that conform to Our standards and specifications. You must prepare all menu items with Our recipes and procedures for preparation contained in the Manuals or other written instructions, including the measurements of ingredients. You must not deviate from Our standards and specifications by the use or offer of nonconforming items or differing amounts of any items, without first obtaining Our written consent.

With respect to the offer and sale of all menu, beverage, and non-food items, We may from time to time offer guidance to with respect to selling prices for such goods, products and services. In addition, We may, in Our sole discretion, set maximum and/or minimum selling prices for such goods, products and services. You must adhere to all minimum and/or maximum selling prices We establish, but You otherwise are free to sell products and provide services at any price You determine. We make no guarantee or warranty that offering products, merchandise or services at Our recommended or required prices will enhance Your sales or profits.

We and Our affiliates have developed certain products for use in the System that are prepared from confidential recipes and that are trade secrets of Ours, and certain products that bear Our Marks. Because of the importance of quality and uniformity of production and the significance of the proprietary recipes and trademarked products in the System, it is to Our and Your benefit that We closely control the production and distribution of the products. You must use Our proprietary recipe products. You must purchase all of Your requirements for these products only from Us or from sources designated by Us.

You and Your Controlling Principals may not implement any new concept, product, or recipe in the operation or promotion of the Business, unless You first submit to Us a request for a test of such concept, product, or recipe. A decision to perform such testing will be in Our sole and absolute discretion. If we engage in such testing, and approve Your request, then and only then may you adopt such concept, product, or recipe. You will receive no additional compensation for any such approved concept, product, recipe or other improvement which We have approved for Your use at a Business. You and Your Controlling Principals must acknowledge that any concept, process, product, recipe or improvement that you develop through operating the Business will become Our property, shall constitute confidential information, and that We may use and/or disclose such information to other franchisees as We deem appropriate.

We may make available and may require You to purchase from Us for resale to Your customers certain pre-packaged food products and memorabilia and other nonfood products in amounts sufficient to meet Your customer demand.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Category	Section in Franchise Agreement	Summary
a. Length of the franchise term	Section 3.1	Term continues for 10 years from the date on which you open the Store, unless terminated earlier.
b. Renewal or extension of the term	Section 3.2	Agreement may be renewed at Your option for an additional 10-year term.
c. Requirements for franchisee to renew or extend	Section 3.2	You must: give us notice at least six but not more than twelve months prior to expiration; not be in default under the Franchise Agreement or any other agreement with Us; repair, replace and update equipment and Business premises; not be in breach of any agreement with Us or Our affiliates; have the right to remain in possession of Business premises; pay renewal fees; execute Our then current form of franchise agreement, which may have terms and conditions materially different from those in your initial agreement; execute Our general release (see Exhibit F); pay a renewal fee which is the greater of 25% of Our then-current initial franchise fee, or $10,000; and comply with current qualification and training requirements.
d. Termination by franchisee	Not applicable	You may terminate on any grounds available to You by law.
e. Termination by franchisor without cause	Not applicable	Not applicable
f. Termination by franchisor with “cause”	Section 24	Each of Your obligations under the Franchise Agreement is a material and essential obligation, the breach of which may result in termination.

Category	Section in Franchise Agreement	Summary
g. “Cause” defined - curable defaults	Section 24.3	We may terminate You for cause if You fail to cure certain defaults, including: If You or any of Your affiliates fail to pay any monies owed to Us, or Our affiliates or vendors, and do not cure within five days after notice (or longer period required), fail to obtain execution of the Confidentiality and Non-competition Covenants contained in the Franchise Agreement within thirty days after a request, fail to procure and maintain required insurance within seven days after notice, use the Marks in an unauthorized manner and fail to cure within 24 hours after notice, fail to cure any other default that is susceptible of cure within 30 days after notice.
h. “Cause” defined – non-curable defaults	Section 24.2	We may terminate You for cause immediately in the event of certain incurable defaults, including: If You become insolvent, make a general assignment for benefit of creditors, file a petition or have a petition initiated against You under bankruptcy laws, have unpaid judgments against You for over 30 days, sell unauthorized products or services, sell authorized products or services from a location other than the Business, fail to acquire an approved location within time required, fail to remodel or to open Business when required, abandon or lose right to the Business premises, conviction of a felony or other crime that may have an adverse effect on the System or Marks, operate or construct the Business in a way that presents a danger to public health or safety, fail to timely designate a replacement Operating Principal or Managing Director, transfer any interest without Our consent, maintain false books or records; or repeatedly commit material events of default under the Franchise Agreement.

Category	Section in Franchise Agreement	Summary
i. Franchisee's obligations on termination or non-renewal	Section 25	Obligations include: You must cease operating the Business and using the Marks and System and completely de-identify the business, pay all amounts due to Us or Our affiliates, return all Manuals and software and other proprietary materials, comply with confidentiality requirements, pay Our costs and fees incurred as a result of Our termination of or any violation by You of the Franchise Agreement, and at Our option, sell or assign to Us Your rights in the Business premises and the equipment and fixtures used in the business.
j. Assignment of contract by franchisor	Section 2.2, Appendix 2	We have the right to transfer or assign the Franchise Agreement to any person or entity without restriction.
k. "Transfer" by franchisee – defined	Section 23.2	Includes sale, assignment, conveyance, pledge, mortgage or other encumbrance of any interest in the Franchise Agreement, the Business or You (if You are not a natural person)
l. Franchisor approval of transfer by franchisee	Section 23.2	You must obtain Our consent before transferring any interest.
m. Conditions for franchisor approval of transfer	Section 23.2	Conditions include: You must pay all amounts due Us or Our affiliates, not otherwise be in default, and execute a general release (see Exhibit F). Transferee must meet Our criteria, attend training, assume your obligations under the Franchise Agreement, execute Our then-current form of Franchise Agreement, pay Our transfer fee, and perform all required updates, refurbishments and modernizations.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 23.5	We have the option, exercisable within 30 days after notice, to purchase the transferred interest on the same terms and conditions.
o. Franchisor's option to purchase franchisee's business	Not applicable	Other than our option to purchase the Business's assets on termination, non-renewal or right of first refusal, We have no right or obligation to purchase Your business.

Category	Section in Franchise Agreement	Summary
p. Death or disability of franchisee	Section 23.6	Upon the death or permanent disability of your Operating Principal or any Controlling Principal, that person's ownership interest must be transferred to someone approved by Us in accordance with Section 14.2 within twelve months after death or six months after notice of permanent disability.
q. Non-competition covenants during the term of the franchise	Sections 22.1, 22.2	Except for Businesses You operate under Franchise Agreements with Us, You and Your Controlling Principals are prohibited from operating or having an interest in a similar business in the United States, its territories or commonwealths, or elsewhere worldwide where We have the right to grant licenses and franchises to use the System and the Marks.
r. Non-competition covenants after the franchise is terminated or expires	Section 22.3	You and Your Controlling Principals are prohibited, for a period of two (2) years following termination, expiration or transfer of the Franchise Agreement, from: diverting or attempting to divert any business, business opportunity, or customer of the Business (or any other The Cocky Rooster Business) to any competitor of the Business or the System; employing or soliciting for employment any person who is at the time, or was within the preceding ninety (90) days, employed by Us, any of Our affiliates, or any of the System's franchisees or area developers; and operating, owning an interest in or being employed by any competitive business located within ten (10) miles of the formerly franchised location or any The Cocky Rooster Business then existing or under construction.
s. Modification of the agreement	Section 26.3	Franchise Agreement may not be modified unless mutually agreed to in writing. You must comply with Manuals as amended
t. Integration/merger clause	Section 26.1	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.

Category	Section in Franchise Agreement	Summary
u. Dispute resolution by arbitration or mediation	Section 30	Except for actions brought by Us for injunctive or extraordinary relief, or actions involving real estate, all disputes must be mediated and, if not settled thereby, arbitrated in Richmond, Virginia.
v. Choice of forum	Section 30.7	Unless otherwise provided in the Franchise Agreement, all proceedings related to or arising out of the Franchise Agreement shall be brought in the United States District Court for the Eastern District of Virginia or any Virginia state court having jurisdiction (see Exhibit I for state specific addendum)
w. Choice of Law	Section 30.7	The Franchise Agreement is to be interpreted, governed and construed under Virginia law (except for Virginia choice of law rules) (see Exhibit I for state specific addendum)

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

Category	Section in Multi-Unit Development Rider	Summary
a. Length of the term	Section 2.3	Term continues until You have completed Your development obligations in accordance with the Development Schedule.
b. Renewal or extension of the term	Not applicable	We may, in our sole discretion, extend the term of the Multi-Unit Development Rider to allow You to develop additional Businesses, however, the Multi-Unit Development Rider does not grant to You any right to renew or extend the Multi-Unit Development Rider.
c. Requirements for Developer to renew or extend	Not applicable	Not applicable
d. Termination by Developer	Not applicable	You may terminate under any grounds available to You by law
e. Termination by Franchisor without cause	Not applicable	Not applicable

Category	Section in Multi-Unit Development Rider	Summary
f. Termination by Franchisor with “cause”	Section 6.2	Following certain defaults, We may terminate the Multi-Unit Development Rider or modify Your territorial rights or alter Your Development Schedule in lieu of termination
g. “Cause” defined - curable defaults	Not applicable	We may terminate You for cause if You fail to cure certain defaults, including: If You or Your affiliates fail to pay any monies owed to Us, or Our affiliates or vendors, and do not cure within five days after notice (or longer period required), fail to obtain execution of the Confidentiality and Non-competition Covenants contained in the Multi-Unit Development Rider within 30 days after a request, use the Marks in an unauthorized manner and fail to cure within 24 hours after notice or fail to cure any other default that is susceptible of cure within 30 days after notice. If You have both a Multi-Unit Development Rider and a Franchise Agreement, any uncured default under one is also a default under the other.
h. “Cause defined – non-curable defaults	Sections 6.1	We may terminate You for cause based on certain non-curable defaults, including: If You become insolvent, make a general assignment for benefit of creditors, file a petition or have a petition filed against You under federal bankruptcy laws or similar state laws, have outstanding judgments against You for over 30 days, fail to comply with the Development Schedule, fail to execute all franchise agreements in accordance with the terms of the Multi-Unit Development Rider, fail to comply with any term or condition of any related agreement and have not cured the default within the given cure period, are convicted of a felony or other crime that may have an adverse effect on the System or Marks, transfer any interest without Our consent, or repeatedly commit material events of default under the Agreement.

Category	Section in Multi-Unit Development Rider	Summary
i. Developer's obligations on termination/non-renewal	Section 7	Obligations include: You must cease developing Businesses or, on a partial termination of territorial or development rights under Section 8.5 of the Development Agreement, You must continue to develop Businesses only in accordance with any modified Development Schedule, and must comply with all applicable confidentiality and restrictive covenants
j. Assignment of contract by Franchisor	Not applicable	We have the right to transfer or assign the Multi-Unit Development Rider to any person or entity without restriction
k. "Transfer" by Developer – defined	Section 5	Includes sale, assignment, conveyance, gift, pledge, mortgage or other disposal or encumbrance of any direct or indirect interest in the Multi-Unit Development Rider or You
l. Franchisor approval of transfer by Developer	Section 5	You must obtain Our consent before transferring any interest
m. Conditions for Franchisor approval of transfer	Section 7.3	Conditions include: You must pay all amounts due Us and Our affiliates, not otherwise be in default, execute a general release (see Exhibit F), remain liable for pre-transfer obligations, complete the development of all Businesses required to be developed under the Development Schedule as of the effective date of transfer, and pay a transfer fee. Transferee must meet Our then current criteria, assume post-transfer obligations, and execute Our then current form of Multi-Unit Development Rider
n. Franchisor's right of first refusal to acquire Developer's business	Not applicable	We have the option, exercisable within 30 days after notice, to purchase the transferred interest on the same terms and conditions offered by a third party
o. Franchisor's option to purchase Franchisee's business	Not applicable	Not applicable
p. Death or disability of Developer	Not applicable	If You or a Controlling Principal are a natural person, on death or permanent disability, your beneficiary must be approved by Us, or interest must be transferred to someone approved by Us within 12 months after death or 6 months after notice of permanent disability

Category	Section in Multi-Unit Development Rider	Summary
q. Non-competition covenants during the term of the Development Agreement	Not applicable	Except for Businesses You operate under Franchise Agreements with Us, You and Your Controlling Principals are prohibited from operating or having an interest in a similar business in the United States, its territories or commonwealths, or elsewhere worldwide where We have the right to grant licenses and franchises to use the System and the Marks
r. Non-competition covenants after the Development Agreement is terminated or expires	Not applicable	You and Your Controlling Principals are prohibited, for a period of two (2) years following termination, expiration or transfer of the Multi-Unit Development Rider, from: diverting or attempting to divert any business, business opportunity, or customer of any Business (or any other The Cocky Rooster Business) to any competitor of the Business or the System; employing or soliciting for employment any person who is at the time, or was within the preceding ninety (90) days, employed by Us, any of Our affiliates, or any of the System's franchisees or area developers; and operating, owning an interest in or being employed by any competitive business located within ten (10) miles of any The Cocky Rooster Business then existing or under construction, except pursuant to a franchise agreement with us.
s. Modification of the agreement	Section 9	The Multi-Unit Development Rider may not be modified unless mutually agreed to in writing, except We may unilaterally decrease the scope of certain non-competition covenants
t. Integration/merger clause	Section 9	Only the terms of the Multi-Unit Development Rider and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and Multi-Unit Development Rider may not be enforceable.
u. Dispute resolution by arbitration or mediation	Not applicable	Except for actions brought by Us for injunctive or extraordinary relief, or actions involving real estate, all disputes must be mediated and, if not settled thereby, arbitrated in Richmond, Virginia.

Category	Section in Multi-Unit Development Rider	Summary
v. Choice of forum	Not applicable	Unless otherwise expressly provided, all proceedings related to or arising out of the Multi-Unit Development Rider shall be bought in the United States District Court for the Eastern District of Virginia or any Virginia state court having jurisdiction (see Exhibit I for state specific addendum)
w. Choice of law	Not applicable	The Multi-Unit Development Rider is to be interpreted and construed under Virginia law (except for Virginia choice of law rules) (see Exhibit I for state specific addendum).

ITEM 18
PUBLIC FIGURES

As of the effective date of this Disclosure Document, we do not use any public figure to promote our franchise System. We may, in the future, from time to time use public figures to promote Our franchise.

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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 table shows the average monthly revenue and certain key costs by our Affiliate's flagship restaurant in Richmond, Virginia for the period from of January 1, 2023 through April 30, 2023. This restaurant has been open since March of 2020.

		1/1/2023 – 4/30/2023 (Monthly Average)
Gross Sales		$106,241.30
Discounts and Refunds		$(1,607.88)
Aggregate Sales		**$104,633.43**
Costs of Goods Sold		$(29,436.37)
Paper Supplies		$(3,342.49)
Costs of Labor		$(25,699.39)
Gross Profit		**$46,155.18**
Management Fee Charged*		$5,767.83
Imputed Royalty**	5% of Aggregate Sales	$5,231.67
Imputed Marketing Fee**	1% of Aggregate Sales	$1,046.34
Gross Profit after Fees		$34,109.34

* Our affiliate pays our parent company a management fee in exchange for our parent handling marketing, supervision of the store manager, negotiations with landlords and suppliers, and development of the CROW system.

** Our affiliates are not required to pay us Royalty Fees or Brand Building Fund contributions, but you are required to pay such fees under the Franchise Agreement.

The sources of the data are Profit and Loss reports that our affiliate's restaurant provided to us for reporting purposes. Those results have not been audited or reviewed by a certified public accountant.

Your individual results may differ. There is no assurance that you'll sell as much.

Written substantiation for this Financial Performance Representation will be made available to you upon reasonable request.

Other than the preceding financial performance representation, The Cocky Rooster does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting our outside director Jeff Platt, whose address is 818 14th Street, Apt. 2, Los Angeles, California 90403 and whose phone number is 314.616.6244, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
System-wide Outlet Summary
For years 2020 to 2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	0	0	0
	2021	0	0	0
	2022	0	0	0
Company-Owned	2020	0	1	+1
	2021	1	2	+1
	2022	2	2	0
Total Outlets	2020	0	1	+1
	2021	1	1	+1
	2022	2	2	0

Table No. 2

Transfers of Outlets From Franchisees to New Owners
(other than the Franchisor)
For years 2020 to 2022

State	Year	Number of transfers
Total	2020	0
	2021	0
	2022	0

Table No. 3

Status of Franchised Outlets
For years 2020 to 2022*

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
VA	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
Totals	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0

Table No. 4

Status of Company-Owned Outlets
For years 2020 to 2022

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
VA	2020	0	1	0	0	0	1
	2021	1	1	0	0	0	2
	2022	2	0	0	0	0	2
Totals	2020	0	1	0	0	0	1
	2021	1	1	0	0	0	2
	2022	2	0	0	0	0	2

Table No. 5
Projected Openings as of December 31, 2022

STATE	FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPEN	PROJECTED NEW FRANCHISED OUTLET IN THE NEXT FISCAL YEAR	PROJECTED NEW COMPANY OWNED OUTLETS IN NEXT FISCAL YEAR
TX	0	1	0
VA	0	1	0
TOTALS	0	2	0

Exhibit G to this Disclosure Document contains a list of our current franchisees as of December 31, 2020, and the contact information and identity of franchisees who have had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during the most recently completed fiscal year. No franchisee has ceased communicating with us within 10 weeks of the application date.

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, none of our current or former franchisees signed provisions restricting their ability to speak openly about their experience with Us.

There is no trademark-specific franchisee organization associated with the franchise system.

ITEM 21
FINANCIAL STATEMENTS

Attached to this disclosure document in its Exhibit A are Plan C Franchising, LLC's audited balance sheet as of July 1, 2023. Our fiscal year end is December 31. We are unable to provide financial statements for our past 3 fiscal years because we commenced active operations in July 2023.

ITEM 22
CONTRACTS

Attached as Exhibits to this Disclosure Document are the following contracts and their attachments:

1.	Franchise Agreement	Exhibit B (includes multi-unit rider)
3.	Electronic Transfer Authorization	Exhibit C
4.	Confidentiality Agreement	Exhibit D

ITEM 23
RECEIPTS

The last 2 pages of this Disclosure Document are acknowledgements of receipt, by which you will acknowledge receipt of this Disclosure Document together with accompanying documents. Please sign and date both, keeping the first for your files and returning the second receipt (last page) to us.

EXHIBIT A

FINANCIAL STATEMENTS

Plan C Franchising, LLC

Financial Statement

June 30, 2023

WELLSCOLEMAN

5004 Monument Avenue • Richmond, VA 23230

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INDEPENDENT AUDITOR'S REPORT

To the Member
Plan C Franchising, LLC
Richmond, Virginia

Opinion

We have audited the accompanying balance sheet of Plan C Franchising, LLC (a Delaware limited liability company), as of June 30, 2023, and the related notes to the financial statement.

In our opinion, the balance sheet referred to above presents fairly, in all material respects, the financial position of Plan C Franchising, LLC as of June 30, 2023, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of Plan C 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 Statement

Management is responsible for the preparation and fair presentation of the financial statement 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 the financial statement that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is 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 generally accepted auditing standards 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 statement.

- Continued -

5004 MONUMENT AVENUE | RICHMOND, VIRGINIA 23230-3629
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In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statement, 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 statement.

- 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 Plan C 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 statement.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Plan C 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.

Wells Coleman

July 17, 2023

PLAN C FRANCHISING, LLC

BALANCE SHEET

June 30, 2023

ASSETS

Current Assets	
Cash and cash equivalents	$ 50,100
Total Assets	**$ 50,100**

LIABILITIES AND MEMBER'S EQUITY

Current Liabilities	$ -
Member's Equity	
Member's equity	50,100
Total Liabilities and Member's Equity	**$ 50,100**

See accompanying notes to financial statement.

PLAN C FRANCHISING, LLC

NOTES TO FINANCIAL STATEMENT

June 30, 2023

1. Nature of Activities

Plan C Franchising, LLC (the Company) was formed under the laws of the state of Delaware on December 1, 2020. The Company has adopted an operating agreement, which describes the rules and conditions for operations, pursuant to the Delaware Limited Liability Act. Headquartered in Richmond, Virginia, the Company intends to register as a franchisor. As a franchisor, the Company will sell franchises and support franchise owners for the Cocky Rooster restaurant brand.

2. Summary of Significant Accounting Policies

Basis of Accounting: The Company prepares its financial statement in accordance with generally accepted accounting principles, which involves the application of accrual accounting.

Cash and Cash Equivalents: The Company considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable: Allowance for doubtful accounts are provided by review of specific accounts by management.

Property and Equipment: Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimates of useful lives.

Revenue Recognition: Revenue is earned primarily through franchise fees and royalty fees.

Nature of Goods and Services: The following is a description of the principal activities, separated by reportable segments, from which the Company plans to generate its revenue.

- Franchise fees - The Company recognizes franchise fee revenue after substantially all of the initial setup performance obligations have been met.

- Royalty fees - The Company recognizes royalty fees monthly based on a set percentage of the franchisee's sales earned.

Income Tax Status: The Company and its members have elected for the Company to be treated under Subchapter K of the Internal Revenue Code for federal and state income tax purposes. This election allows the income of the Company to be taxed at the member level. Accordingly, no provision has been made in the accompanying financial statement for any income tax.

Use of Estimates: Management uses estimates and assumptions in preparing the financial statement. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

Evaluation of Subsequent Events: The Company has evaluated subsequent events through July 17, 2023, which is the date the financial statement was available to be issued.

EXHIBIT B
FRANCHISE AGREEMENT

(INCLUDING MULT-UNIT DEVELOPMENT RIDER)

<u>**THE COCKY ROOSTER FRANCHISE AGREEMENT**</u>

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THE COCKY ROOSTER FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement" or the "Franchise Agreement") is entered into by and between **PLAN C FRANCHISING, LLC**, a Delaware limited liability company, with its principal office at 1345 Carmia Way, North Chesterfield, VA 23235 ("Franchisor", "We" or "Us"), and the person or entity identified in Schedule 1 ("Franchisee" or "You"), effective on the date when each of the parties hereto have executed it (the "Effective Date").

RECITALS:

A. Franchisor, directly or through its business entity affiliates, has expended time, skill, money, experience and effort to develop a system for establishing and operating a business under The Cocky Rooster ® trade name that serves fresh cooked to order hand sauced or (dry rubbed) and tossed chicken wings, boneless wings, proprietary breaded tenders, chicken strips, thighs, chicken breast sandwiches, and also offers vegetarian, vegan wings, beverages, seasoned regular and sweet potato fries (the "System").

B. Franchisor, directly or through its business entity affiliates, also has expended time, skill, money and effort in publicizing the System and the products and services offered under the System. Franchisor has developed and will continue to develop valuable goodwill in the service mark, trademark and trade name THE COCKY ROOSTER and the logo THE COCKY ROOSTER TAKE YOUR WINGS AND FLY, and in its trade dress; and has or may develop or acquire other service marks, trademarks, trade names and trade dresses for use under the System, all of which marks, names and dresses are or will be Franchisor's sole property (the "Marks").

C. Franchisor licenses the System and the Marks, and provides continuing advice on the establishment and operation of THE COCKY ROOSTER take-out food service establishments (each of which is a "THE COCKY ROOSTER Business"). Each such business may offer catering and may operate at a fixed permanent location offering to go only sales or to go sales with seating, or at other venues approved by Franchisor.

D. Franchisee desires to establish and operate a THE COCKY ROOSTER Business, to use the Marks and all other elements of the System, and to derive the benefits of the System as developed by Franchisor. Franchisee acknowledges that it is essential to the maintenance of the high standards which the public has come to expect of THE COCKY ROOSTER products and services, and to the preservation of the integrity and goodwill of the Marks, that Franchisee adhere to the standards for the establishment and operation of THE COCKY ROOSTER Business.

In consideration of the recitals above and of the terms below, Franchisor and Franchisee agree:

1. GRANT OF LICENSE

1.1 Subject to the terms of this Agreement, Franchisor grants to Franchisee the rights and a limited, nonexclusive license, and Franchisee hereby accepts and undertakes the duty, to establish and operate a THE COCKY ROOSTER Business (the "Business") for the term described in Section 3, only for the specific site located at the specific location identified (or to be identified) on Schedule 1 (the "Approved Location"), under the Marks and the System in accordance with the provisions of this Agreement and Franchisor's standards and specifications (the foregoing rights and obligations being the "Franchise").

1.2 The Franchise includes the right and obligation to sell THE COCKY ROOSTER products and services.

1.3 The Franchise includes the right and obligation to use the complete System, as it exists or may be supplemented or modified during the term of the Franchise. Franchisee agrees that the System will continue to evolve to reflect changing market conditions and to meet new and changing consumer demands, and that variations and additions to the System may be required to preserve and enhance the public image of the System and to ensure the continuing operational efficiency of THE COCKY ROOSTER Businesses generally. Accordingly, Franchisee agrees that Franchisor may, on notice and acting reasonably, add to, modify, upgrade and change the System, including the adoption and use of new and modified, upgraded or changed service marks, trademarks, trade names, trade dresses, equipment, techniques and methodologies relating to the preparation, marketing, promotion and sale of THE COCKY ROOSTER products and services. Franchisee further agrees to promptly accept, implement, use and display in the operation of the Business all of those additions, modifications, upgrades and changes at Franchisee's expense.

2. SITE SELECTION, ASSIGNED AREA AND RESERVATIONS OF RIGHT

2.1 If the Approved Location has not been determined as of the Effective Date, Franchisor will provide Franchisee with its guidelines for acceptable sites within seven days of the Effective Date and Franchisee shall have the right, until the one hundred and twenty first (121st) day after the Effective Date, to secure a site acceptable to Franchisor for operation of the Business within the site selection area specified in Appendix A hereto. Prior to acquiring by lease or purchase a site for the Business, Franchisee will submit to Franchisor a description of the site containing the information about the site specified in our guidelines. Franchisor shall have thirty (30) days after receipt of such information and materials to approve or disapprove, in its sole discretion, the proposed site as the location for the Business. Franchisee shall not make any binding commitment to a prospective lessor of real estate with respect to operating a business using the Marks or the System unless and until Franchisor has approved the site. Franchisee acknowledges that (i) the location, selection, procurement and development of a site for the Business is Franchisee's sole responsibility and (ii) Franchisor's consent to a prospective site or rendering of assistance in the selection of a site does not constitute a representation, promise, warranty or guarantee, express or implied, by Franchisor that the Business operated at that site will be profitable or otherwise successful.

2.2 If Franchisee will occupy the premises of the Business pursuant to a lease, Franchisee must submit a copy of the lease to Franchisor for written approval prior to Franchisee's execution thereof and must furnish to Franchisor a copy of the executed lease within ten (10) days after execution thereof. For purposes of this Agreement, the term "lease" includes a sublease. Franchisor is not obligated to approve a lease for the Business premises unless (i) it includes provisions substantially similar to the provisions set forth in Appendix 1 attached hereto, or (ii) Franchisee, Franchisor, and the lessor of the site execute a collateral assignment of lease, in substantially the form attached hereto as Appendix 2; provided, however, that until at least ten (10) THE COCKY ROOSTER Businesses owned by franchisees are open and operating, Franchisor will agree to modifications of the terms in Appendix 1 or in Appendix 2 reasonably required by a proposed landlord as a condition of entering into the contemplated lease. Franchisor shall have thirty (30) days following receipt of the lease to grant its approval or disapproval thereof. Franchisee acknowledges that Franchisor's review of such lease is solely for the benefit of Franchisor and that any acceptance or rejection by Franchisor of such lease does not constitute a representation, warranty, or guarantee, express or implied, by Franchisor or its representative as to any of the terms or provisions of such lease or that such lease is in any way beneficial or detrimental to Franchisee. Rather, Franchisee's execution of a lease or purchase agreement for the premises of the Business will constitute Franchisee's acceptance of the premises and of the terms of the lease or purchase agreement, and a waiver of any claim or right against Franchisor relating to the terms thereof or the choice of the premises.

2.3 After Franchisor approves a site for the Business, Franchisee secures it by lease or acquisition, and the Business is open for business, Franchisor will issue an amended Schedule 1 that designates the location of the site as the Approved Location and identifies the date on which the Business opened to the public (the "Opening Date"), for purposes of calculating the expiration date of the Term.

2.4 If the possession or ownership of or lease for the Approved Location expires or terminates without fault of Franchisee, or if the premises are destroyed, condemned or otherwise rendered unusable, or if in Franchisor's judgment there is a change in character of the site of the business sufficiently detrimental to its business potential to warrant its relocation, Franchisee may relocate the business to another site within the Assigned Area that is acceptable to and approved by Franchisor, provided that Franchisee obtains the consents required under Sections 2.1, 2.2 and 2.3 hereof and develops the replacement premises in accordance with Article 5 of this Agreement. Any relocation will be at Franchisee's sole expense.

2.5 So long as Franchisee complies with all of the terms of this Agreement, and subject to the reservations of rights specified in Section 2.6 below, Franchisor and its business entity affiliates shall not operate, or license anyone else to operate, any THE COCKY ROOSTER Business within the geographic area specified in Schedule 1 (the "Assigned Area").

2.6 Franchisor, on behalf of itself and its affiliates, reserves the sole and absolute right:

(a) to establish and operate, and to grant to others the right to establish and operate, THE COCKY ROOSTER Businesses at any locations of the following types within the Assigned Area: airports, train stations, venues that people pay money to visit (such as stadiums, arenas, theme parks and museums), or workplaces with restricted access and on-site meal service, such as military bases, college campuses and large corporate campuses (any of which is a "Captive Audience Venue").

(b) to establish and operate, and to grant to others the right to establish and operate, THE COCKY ROOSTER Businesses at any location outside of the Assigned Area, regardless of its proximity to the Approved Location;

(c) to offer and sell to persons at any location, using different trademarks, products and services that are the same as the products and services offered by THE COCKY ROOSTER Businesses;

(d) at any location, to offer and sell different products and services, using THE COCKY ROOSTER trademarks or different trademarks, without offering Franchisee the right to participate, including pre-packaged food products, apparel, memorabilia, and other non-food items;

(e) to acquire and continue to operate, directly or indirectly, any business operating under different trademarks at any location;

(f) to acquire and retain, directly or indirectly, the rights and obligations of any franchisor of any business operating under different trademarks at any location; and

(g) at any location, to establish and promote other franchise systems involving different services or products using different trademarks, and to establish company-owned, franchised or licensed outlets for those systems, without offering Franchisee the right to participate.

2.7 If the parties have executed a Multi-Unit Development Rider then it is appended as <u>Appendix 6</u> hereto and grants Franchisee rights to open a specified number of additional Franchises to operate in reserved geographic areas, solely in compliance with the requirements in the Multi-Unit Development Rider: Otherwise Franchisee has no options or rights to open any additional THE COCKY ROOSTER Business.

3. TERM AND SUCCESSOR AGREEMENT

3.1 The Franchise will begin on the date Franchisor executes this Agreement and will continue for a term of ten (10) years from the Opening Date, unless sooner terminated under Section 24.

3.2 At the completion of the Term, Franchisee will have the right to execute a successor agreement to continue the Franchise for an additional ten (10) year term, but only if:

(a) Franchisee has given Franchisor written notice, not more that 1-year and not less than 180 days before the expiration of the prior term, of Franchisee's intention to enter into a successor agreement;

(b) Franchisee presents satisfactory evidence that Franchisee has the right to remain in possession of the Approved Location, or obtains Franchisor's consent to a new site for the operation of the Business, for the duration of the new term;

(c) Franchisee is solvent (is able to pay Franchisee's debts as they come due and has assets that are greater than Franchisee's debts), has not abandoned the Business, is not operating the Business in a manner that endangers public health or safety, is current on all fees and amounts payable to Franchisor hereunder; and, during the expiring term, has not repeatedly either committed defaults of this Agreement for which Franchisor had issued notices of default, submitted false or incomplete reports to Franchisor, or failed to submit timely reports;

(d) Franchisee, or any of Franchisee's principal officers, partners, or members of Franchisee is a legal entity and have not been convicted of a felony or a crime involving moral turpitude, consumer fraud or any other offense that is reasonably likely, in Franchisor's sole judgment, to have an adverse effect on the Marks, the System, the goodwill associated with the Marks or System, or Franchisor's interest in the Marks or System;

(e) At Franchisor's option, Franchisee remodels the Business to conform it to Franchisor's then-current requirements for new THE COCKY ROOSTER Businesses;

(f) Franchisee pays Franchisor a fee of 25% of the then-current Initial Franchise Fee being charged to new franchisees or $10,000, whichever is greater, which fee shall be fully earned and non-refundable when paid; and

(g) Franchisee has signed Franchisor's then-current standard Franchise Agreement, modified solely to eliminate the requirement of paying the Initial Franchise Fee and each party's obligations that apply prior to opening of the Store (such as training and site development). The agreement may contain other terms that are substantially different from those in this Agreement.

3.3 In the event that any of the conditions set forth in Section 3.2 have not been met, Franchisor will have no obligation to enter into a successor franchise agreement with Franchisee, it being understood that in such event Franchisee's successor agreement option will be deemed to have been waived by Franchisee, void, and of no force and effect.

3.4 If Franchisee continues to operate the Business after the end of the term of this Agreement, and Franchisor accepts continuing fee payments from Franchisee and does not act to sever the business relationship between the parties, then the terms of this Agreement will continue to apply on a "month to month basis," meaning that either party may terminate the business relationship without cause on thirty (30) days' written notice to the other party, and the post-termination obligations of the parties will commence from the effective date that the "month to month" relationship terminates.

4. PERSONAL ATTENTION OF FRANCHISEE OR OPERATING PRINCIPAL TO BUSINESS

4.1 Franchisee, or if you are a business entity your Operating Principal as specified in Schedule 1, must successfully complete Franchisor's initial training. If Franchisee is an individual person, then Franchisee also is the Operating Principal hereunder. Moreover, the Business must continually be under the supervision of a person who has successfully completed our training program, as further specified in Section 10 hereof.

4.2 Franchisee understands and agrees that the success of the Business will depend on personal, continued and full-time attention to the business by Franchisee, or by Franchisee's Operating Principal if Franchisee is a business entity. Personal, continued, and full-time attention will include at least: availability during normal and peak business periods; participation in the development and implementation of management and operational policies; and involvement in the training and supervision of employees and independent contractors to ensure that the System is followed.

4.3 Franchisee must operate the Business on a continuous basis throughout the year, and must be open for business each week for the minimum hours and minimum days required by Franchisor, unless Franchisee is limited by local government regulation or Franchisee obtains a written variance from Franchisor.

5. ESTABLISHMENT AND MAINTENANCE OF BUSINESS

5.1 Franchisee must develop the Business in strict compliance with the System, the Confidential Operations Manual (as detailed in Section 11 below) and Franchisor's standards and specifications regarding use of the Marks, including, without limitation, Franchisor's layout and equipment specifications for The Business. Franchisee must adapt layout plans and specifications for the Business provided by Franchisor as necessary for the construction of the Business at the Approved Location and, at its own expense, obtain any architectural, engineering and design services that it deems necessary for the construction of the Business. Franchisee must submit its Store development, layout and equipment plans to Franchisor's designated representative for review. If Franchisor determines that any such plans are not consistent with the best interests of the System, Franchisor may prohibit the implementation of such plans, and in such event will notify Franchisee of any objection(s) within fifteen (15) days of receiving Franchisee's proposed plans. If Franchisor objects to any such plans within that period, Franchisor must provide Franchisee with a reasonably detailed list of changes necessary to make the plans acceptable. Franchisor, upon a resubmission of the plans with such changes, must notify Franchisee within fifteen (15) days of receiving the resubmitted plans whether the plans are acceptable. After being accepted, the plans may be further modified only to the extent necessary to comply with applicable ordinances and building codes, and applicable permit, lease and deed requirements and restrictions. All plans and modifications will be subject to Franchisor's written acceptance.

5.2 Franchisee agree to use in the operation of the Business only those brands and models of equipment, fixtures, and signs that Franchisor has approved for use in THE COCKY ROOSTER Businesses. Franchisee further agrees to place or display at the premises of the Business (interior and exterior) only the signs, emblems, lettering, logos and display materials that Franchisor approves in writing. Franchisee may purchase approved brands and models of equipment, fixtures, furniture and signs from any supplier, including Franchisor or Franchisor's affiliates, where applicable. If Franchisee proposes to purchase any brand and/or model of equipment, fixture, furniture or sign which is not then approved by Franchisor, Franchisee will first notify Franchisor and will submit to Franchisor, on Franchisor's request, sufficient written specifications, photographs, drawings and/or other information or samples for a determination by Franchisor of whether the brand and/or model of equipment, fixture, furniture or sign is an acceptable alternative, which determination will be made and communicated to Franchisee within a reasonable time. Franchisor will have the right to charge Franchisee a reasonable amount to cover the expenses incurred by Franchisor for any testing or inspection.

5.3 Franchisee must commence and diligently and continuously pursue development of the Business, in compliance with the approved plans as specified above, upon acquiring or leasing the Approved Location. Franchisee must obtain all required building, driveway, utility, sign and business permits and licenses, and any other required permits and licenses necessary for the establishment and operation of the Business, and otherwise conform the premises to all applicable ordinances and building codes, and all applicable permit, lease and deed requirements and restrictions.

5.4 Franchisee must notify Franchisor of the scheduled date for completion of construction or remodeling no later than thirty (30) days prior to such date. Within a reasonable time thereafter, Franchisor or its representative may, at its option, conduct an inspection of the completed Business. Franchisee acknowledges and agrees that it will not open the Business for business without the written authorization of Franchisor and that authorization to open may be conditioned upon Franchisee's strict compliance with this Franchise Agreement. Franchisor, or its representative, may make such on-site inspections of construction and remodeling as it may deem reasonably necessary to evaluate such progress and, without limitation, may require Franchisee to have work re-done if it does not comply with the approved plans.

5.5 Franchisee acknowledges that time is of the essence. Subject to Franchisee's compliance with the conditions stated below, Franchisee must open the Business and commence business within twelve (12) months after the Effective Date, unless Franchisee obtains a written extension of such time period from Franchisor. Prior to opening the Business to the general public, Franchisee must complete all exterior and interior preparations for the Business, including installation of equipment, fixtures, furnishings and signs, pursuant to the approved plans and specifications, and comply with all other pre-opening obligations of Franchisee, including training, to Franchisor's satisfaction. If Franchisee fails to comply with any of such obligations, Franchisor may prohibit Franchisee from opening the Business and commencing business. Franchisee's failure to open the Business and commence business in accordance with the foregoing shall be deemed a material event of default under this Franchise Agreement.

6. REPRESENTATIONS, WARRANTIES AND COVENANTS OF FRANCHISEE AND OWNERSHIP INTERESTS

6.1 Each of Franchisee and the persons and/or entities identified as a controlling principal or an operating principal in Schedule 1 (each of whom is a "Controlling Principal") covenants and agrees that Franchisee must make all commercially reasonable efforts to operate the Business so as to achieve optimum sales.

Franchisee and the Controlling Principals represent, warrant and covenant that:

(a) Franchisee is duly organized, validly existing and in good standing under the laws of the State where Franchisee was formed;

(b) Franchisee is duly qualified and is authorized to do business in each jurisdiction in which its business activities require such qualification;

(c) The execution, delivery and performance by Franchisee of this Franchise Agreement have been duly authorized by all necessary corporate or company action;

(d) This Franchise Agreement constitutes the valid and binding obligation of Franchisee and each Controlling Principal, enforceable against Franchisee and Controlling Principal in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization, and other similar laws now or hereafter in effect relating to or affecting creditors' rights generally, and the exercise of judicial discretion;

(e) All ownership and profits interests in Franchisee as of the Effective Date are accurately and completely described in Schedule 1 to this Franchise Agreement. Franchisee will immediately provide a copy of the updated list of all owners to Franchisor upon the occurrence of any change of ownership and otherwise make its list of owners available to Franchisor upon request;

(f) Each financial statement that Franchisee and each Controlling Principal has provided to Franchisor prior to the execution of this Franchise Agreement presents fairly the financial position of Franchisee or the Controlling Principal, as applicable, at the dates indicated therein and, with respect to Franchisee or any other business entity, the results of its operations and its cash flow for the years then ended. No material liabilities, adverse claims, commitments or obligations of any nature exist as of the date of this Franchise Agreement, whether accrued, unliquidated, absolute, contingent or otherwise, that are not reflected as liabilities on the financial statements of Franchisee or a Controlling Principal, as applicable; and

(g) Franchisee acknowledges and agrees that the representations, warranties and covenants set forth in this Section 6.1 are continuing obligations of Franchisee, as applicable, and that any failure to comply with such representations, warranties and covenants shall constitute a material event of default under this Franchise Agreement. Franchisee will cooperate with Franchisor in any efforts made by Franchisor to verify compliance with such representations, warranties and covenants.

6.2 Franchisee represents and warrants that it will comply with all requirements of federal, state and local laws, rules, regulations, and orders applicable to the development and operation of the Business. Without limitation:

(a) Franchisee is solely responsible for complying with all laws applicable to employment of people who work in the Business, including those concerning wages and hours, non-discrimination, and labor relations;

(b) Franchisee must inform each individual who works in the Business of Franchisee's business entity name and the fact that it is that worker's employer;

(c) Franchisor may require Franchisee to process its payroll through a third-party service provider, as designated or approved by Franchisor;

(d) Franchisee acknowledges that the System does not include any personnel policies or procedures that Franchisor may make available for franchisees' optional use in the Manual or otherwise, and that Franchisee alone is responsible for determining to what extent, if any, it will utilize such suggestions in operating the Business; and

(e) Without limiting the generality of the foregoing, Franchisee acknowledges that it will have sole and exclusive control over the compensation of any individual employed by or working in the Business.

6.3 If Franchisee is a corporation, limited liability company, partnership, or other form of entity ("**Entity**"), Franchisee represents and warrants that:

(a) the organizational or governing documents will recite that the issuance and transfer of any Ownership Interests in the entity (as defined below) are restricted by the terms of this Agreement, and all certificates and other documents representing Ownership Interests in it will bear a legend referring to the restrictions of this Agreement. "Ownership Interest" means: (a) in relation to a corporation, shares of capital stock or other equity interests in the corporation; (b) in relation to a limited liability company, membership interests or other equity interests in the limited liability company; (c) in relation to a partnership, a general or limited partnership interest; or (d) in relation to a trust, the ownership of the beneficial interest of such trust, and each person who has an Ownership Interest is an "Owner";

(b) Franchisee and Owners must revise the information in Schedule 1 as may be necessary to reflect any ownership changes and to furnish such other information about Franchisee's organization or formation as Franchisor may request (no ownership changes may be made without Franchisor approval);

(c) each of the Owners owning, directly or indirectly, at any time during the term of this Agreement, 20% or more of the legal or beneficial interests in the Entity must sign and deliver to Franchisor our standard form of Owner's Guaranty undertaking to be bound jointly and severally by all provisions of this Agreement and any other agreements between Franchisor and Franchisee us. At our option, Franchisor may require the spouses of such

Owners to also sign the Owner's Guaranty. A copy of the current form of Owner's Guaranty is attached as Appendix 4. All other Owners will be required to sign a nondisclosure and noncompetition agreement in substantially the form attached as Appendix 3;

(d) The person identified in Schedule 1 as the Operating Principal has the power to bind Franchisee in their dealings with us. Franchisor has the right to approve the Operating Principal, and Franchisee will promptly inform Franchisor of any proposed replacement of the Operating Principal. At Franchisor's request, Franchisee will furnish true and correct copies of all documents and contracts governing the rights, obligations and powers of Franchisee's Owners and agents (like articles of incorporation or organization and partnership, operating or shareholder agreements).

7. LIMITATIONS ON ACTIVITIES OF BUSINESS

7.1 In order to preserve the System and the identification of THE COCKY ROOSTER Businesses for franchisees and licensees operating under the Marks, Franchisee agrees that the Business will not engage in activities other than those approved under the System. Franchisee further agrees that Franchisee must obtain Franchisor's prior written consent to offer any services or sell any products other than those approved under the System.

7.2 Franchisee may not engage in any deceptive or unfair trade practice or other activity, or offer any service or product which is harmful to the goodwill or reputation of Franchisee, Franchisor, the System, the Marks, or our other franchisees generally.

7.3 Franchisee may not maintain Franchisee's own web site in connection with the Business on the Internet or any comparable electronic network of computers (including any social media pages promoting the Business) without the prior written approval of Franchisor. Without limiting the foregoing, Franchisee may not maintain any social media page promoting the Business or using the Marks except as Franchisor assigns to Franchisee for its use, for example, on Facebook® only as a "Location" within an account otherwise controlled by Franchisor.

7.4 Franchisee must maintain the menu for the Business in the exact form provided or specified by Franchisor. We may require you to modify the menu on reasonable written notice. Franchisee may modify the menu only with Franchisor's prior written consent, subject to the following procedures:

(a) Franchisee must submit to Franchisor, in writing, any proposed menu modifications;

(b) Franchisee must submit to Franchisor, if Franchisor requests, samples of any proposed new or modified menu items;

(c) Within 60 days, Franchisor will notify Franchisee, in writing, whether any proposed menu modifications, or any proposed new or modified menu items, items have been approved or disapproved and, if disapproved, the reasons for the disapproval; and

(d) Franchisee must reimburse Franchisor for any costs incurred in reviewing or testing any proposed menu modifications, or any proposed new or modified menu items.

7.5 Franchisor may, in its reasonable business judgment and to the extent permitted by applicable law, set maximum and/or minimum selling prices for any or all menu items. You must adhere to all minimum and/or maximum selling prices that Franchisor establishes, but otherwise you are free to sell products and provide services at any price you determine. Franchisor makes no guarantee or warranty that offering products, merchandise or services at prices it recommends or requires will enhance the sales or profits of your Business.

8. FEES PAYABLE TO FRANCHISOR

8.1 Initial Franchise. Franchisee shall pay to Franchisor an initial franchise fee (the "**Initial Franchise Fee**") of Thirty Thousand Dollars ($30,000.00) upon execution of this Franchise Agreement by Franchisee. If you have entered into a Multi-Unit Development Rider with us, then $10,000 of the Development Fee paid thereto will be credited towards satisfaction of the Initial Franchise Fee, and you shall pay us of Twenty Thousand Dollars ($20,000.00) upon execution of this Franchise Agreement. We are not obligated to refund the Initial Franchise Fee to you under any circumstances.

8.2 Ongoing Royalty. Franchisee must pay Franchisor a continuing Franchise fee of five percent (5%) of Aggregate Sales on a bi-weekly basis (the "Royalty Fee"). By executing this Franchise Agreement, Franchisee agrees that Franchisor has the right to withdraw funds from Franchisee's designated bank account by electronic funds transfer ("EFT") in the amount of the Royalty Fee and any other fees required to be paid under this Franchise Agreement. Such withdrawals shall be drawn on the payment date for the amount of the Royalty Fee due with respect to Franchisee's Aggregate Sales for the relevant bi-weekly period, as evidenced by your report of Aggregate Sales for the preceding two weeks (the "Royalty Report") or our review of the Business's point of sale system records for that period.

8.3 Brand Building Fund. Franchisee must pay 1% of Aggregate Sales towards the Brand Building Fund which is due and payable on a bi-weekly basis.

8.4 Transfer. The Transfer Fee will be 50% of the Initial Franchise Fee then being charged to franchisees, except if the transferee owns or is a controlling principal in an existing THE COCKY ROOSTER Business, in which case the Transfer Fee will be 25% of the Initial Franchise Fee then being charged. See Section 23.2(b)(viii).

8.5 Site Relocation. If Franchisee relocates the Business, Franchisee must pay Franchisor's per diem rate and travel expenses incurred by Franchisor in connection with evaluating of the proposed new location and inspecting the business following its move to the substitute approved location.

8.6 Failed Inspection. If our inspection of the Business discloses substantial failures to comply with our system standards, we will provide you with a period of ten (10) days to rectify such deficiencies. If our re-inspection of the Business, conducted within ninety (90) days of the first inspection, shows that you have not rectified any of those deficiencies, then we may charge you our then-current per diem fee for our representative's time (which is $250 per day as of the date of this Agreement) plus the travel expenses of our representative. This remedy is in addition to, and not to the exclusion of, our other remedies hereunder.

8.7 Training. See Article 10 of the Agreement.

8.8 Audit. The cost of the audit, as detailed in Article 12.

8.9 Renewal. See Section 3.2.

8.10 Equipment, Supplies or Supplier Testing or Inspection, and Grant or Approval of Equipment, Supplies or Suppliers. See Section 13.2.

8.11 Interest and Late Fees. If any sum Franchisee must pay to Franchisor under this Agreement is not actually received by Franchisor by the due date, that sum will bear interest calculated daily after the due date until paid at the lesser of a rate equal to 1.5% of the monthly balance of principal and interest, or the highest rate of interest allowed by law. If the due date for a sum is not stated in this Agreement, generally it will be the tenth (10^{th}) day after the billing date. Any payment received toward an overdue sum will first be applied to the interest due and will be applied to the overdue sum only after all outstanding interest is paid. Franchisee also must pay a late fee of $100 for each past due payment. Interest and late fees will be in addition to any other rights or remedies that Franchisor has under this Agreement or otherwise. Regardless of Franchisee's designation, Franchisor, in Franchisor's sole discretion, may apply Franchisee's payments to any of Franchisee's past due indebtedness to Franchisor or Franchisor's affiliates. See also Section 12.7.

8.12 Aggregate Sales. means all amounts received by your Business as a result of its sale of any products, including delivery or service fees and amounts received from redemption of any gift card, but not including the following:

(a) Sums representing sales taxes collected directly from customers, based on present or future laws of federal, state or local governments, collected by You in the operation of the Business, and any other tax, excise or duty which is levied or assessed against You by any federal, state, municipal or local authority, based on sales of specific merchandise sold at or from the Business, provided that the taxes are actually transmitted to the appropriate taxing authority; and

(b) The dollar value of complimentary food and beverages provided, including, without limitation, those provided for house errors and advertising and promotional programs (collectively, "Comps"); provided, however, that the total amount of the reduction for Comps for any week may not exceed two percent (2%) of the dollar amount of total gross sales, net of sales taxes, for that week.

8.13 Withholding of Sums Payable. Franchisee agrees that Franchisee will not, on grounds of the alleged nonperformance by Franchisor of any of Franchisor's obligations under this Agreement, withhold payment of any fee or other sum payable to Franchisor under this Agreement, or of any other sum payable to Franchisor or Franchisor's affiliates.

9. PRODUCTS AND SERVICES FURNISHED BY FRANCHISOR

9.1 During the term of the Franchise, Franchisor will provide the following:

(a) Site selection guidelines, standard layout schematic, and equipment specifications for the Business, and our review of your customized plans for the Business;

(b) Training programs and assistance as described in Section 10;

(c) A Confidential Operations Manual as described in Section 11;

(d) Updates to the Confidential Operations Manual as described in Section 12, plus updates thereto;

(e) Samples of initial advertising and promotional materials and assistance in implementing an initial advertising and promotional program;

(f) Access to advertising and promotional templates we develop from time to time, and to purchasing promotional products at our cost;

(g) Provide access to the Cocky Rooster Operations Workstation ("C.R.O.W.") software, solely for use in operating the Business, subject to commercially reasonable interruptions of service effecting all users of such software.

(h) Reasonable efforts to negotiate purchasing agreements for food preparation and service supplies, as described in Section 13;

(i) Continuing assistance and guidance by telephone, electronic mail, voice mail, facsimile, mail, newsletters, or other methods, that Franchisor, in Franchisor's sole discretion, deem reasonable under the circumstances;

(j) In connection with the operation of the Business, provide reviews and analyses of Franchisee's operations; and

(k) Administration of the Brand Building Fund for so long as we deem it appropriate to do so.

9.2 If Franchisee requests, Franchisor will furnish special guidance and assistance relative to the operation of the business, other than continuing assistance provided at no charge, at per diem charges Franchisor establishes. If Franchisee requests special training of business personnel or other assistance in operating the business that must take place at the location of the Business, Franchisee must pay all expenses for training, including Franchisor's then-current per diem charges and all reasonable transportation, meal and lodging expenses incurred by Franchisor's personnel supplying the additional assistance.

9.3 Franchisor will maintain a Web site on the Internet or any comparable electronic network of computers to advertise and promote THE COCKY ROOSTER Businesses. Unless Franchisee is in default under this Agreement, Franchisor's Web-site will include a listing of the Business that facilitates online ordering of menu items. However, any representations and warranties of any kind whatsoever, express or implied, regarding Franchisor's Web site(s), including representations and warranties as to the operation, functionality, lack of interruption or resources of Franchisor's Web site(s), are expressly excluded. Without limiting the foregoing, Franchisor disclaims any implied warranties of merchantability and fitness for a particular purpose as to Franchisor's Web site(s). As to any malfunctioning of Franchisor's Web site(s), Franchisor will not be liable to Franchisee for any consequential, incidental, indirect, economic, special, exemplary or punitive damages, such as, but not limited to, loss of revenue or anticipated profits or lost business, even if Franchisee has advised Franchisor that such damages are possible as a result of any breach of warranty or malfunction.

9.4 Franchisor's obligations under this Agreement are to Franchisee. No other person or entity, directly, indirectly or by subrogation, may rely on, enforce or obtain relief under this Agreement for any default by Franchisor.

10. TRAINING

10.1 Franchisee and Franchisee's employees and independent contractors must maintain the standards of skill, efficiency and quality associated with the System.

10.2 To assist Franchisee in establishing and maintaining those standards, Franchisor will provide training as follows:

(a) Franchisor will provide the Operating Principal and up to two of Franchisee's other employees with initial training of one week for the operation of a COCKY ROOSTER Business, including use of the C.R.O.W. system, at a location Franchisor designates. Franchisor and Franchisee may mutually agree to extend the initial training period on a case by case basis. The Operating Principal and at least one other employee of Franchisee must successfully complete initial training of one week to Franchisor's satisfaction before opening the Business, except that if this Franchise is for your second or additional THE COCKY ROOSTER Business then only one of your employees must complete the initial training of one week. Franchisor will bear the cost of providing initial training, including the cost of basic materials and instructors, but Franchisee must bear the cost of trainees' wages and benefits, and trainees' travel, lodging and meal expenses.

(b) A representative of ours with experience in the operation of a THE COCKY ROOSTER Business will provide five (5) days of on-site training and assistance in the days surrounding the opening to the public of your Business. Franchisor and Franchisee may mutually agree to extend the initial training period on a case by case basis, subject to additional compensation to Franchisor to cover the wages and out of pocket cost of its representative remaining at the Approved Location for a longer period of time.

(c) If you no longer employ a personal who successfully completed our training, another of your employees must successfully complete our initial training program at a location Franchisor designates, subject to Franchisor's scheduling, within 8 weeks of when your last trained employee left your employment. Franchisee must bear the cost of the succeeding Manager's wages and benefits, and travel, lodging, and meal expenses. Franchisee must pay Franchisor Franchisor's then-current training fee as to that training, which amount is Twenty-Five Hundred Dollars ($2,500) as of the date of this Agreement.

(d) Franchisor may conduct an annual conference for Franchisor's Franchisees and Franchisees to discuss and review new business and marketing. The conference may be held on a regional or national basis. Franchisor will provide Franchisee with notice of the time and place of the conference, which time and place Franchisor will determine. The Operating Principal, or an alternative designee of yours approved by us, must attend the conference if Franchisor elects to conduct it. For each of Franchisee's representatives attending the conference, Franchisee must pay a non-refundable per-attendee fee to Franchisor equal to the approximate out-of-pocket cost of holding the conference, and also must pay all wages and benefits, and Franchisee's attendees' travel, lodging and meal expenses.

(e) The Operating Principal or their delegate who supervises Store operations must successfully complete remedial or follow-up training if, in Franchisor's sole and absolute judgment, that training is necessary. Franchisee must pay Franchisor's then-current remedial training fee, and Franchisee must bear the wages, benefits, and expenses of its employees and personnel who participate in the training.

10.3 Except as otherwise stated in this Section 10, Franchisee, Franchisee's trained Manager (if any) or Franchisee's other trained staff are responsible for training Franchisee's other employees and independent contractors other than Franchisee's Managers.

10.4 If Franchisee requests Franchisor's trainers to give any initial, remedial or follow-up training at Franchisee's location, Franchisee must bear the actual and reasonable travel, lodging and meal expenses of those trainers, plus our then-current per diem fee.

10.5 Franchisor may require Franchisee to make reservations for trainees or attendees in advance of any training or conference. Franchisor may require deposits for those reservations (which may be refunded or, in Franchisor's sole discretion, applied toward training or conference fees) and may charge cancellation fees if reservations are cancelled.

11. FRANCHISOR'S MANUALS AND MATERIALS

11.1 Franchisor has developed a copyrighted Confidential Operations Manual containing mandatory and suggested specifications, standards, procedures and rules applicable to the System. The Confidential Operations Manual is and will remain Franchisor's exclusive property. Franchisee will merely be lent paper or read-only digital copies of, or be given Intranet access to, the Confidential Operations Manual during the term of the Franchise. Franchisor also may lend to Franchisee paper or read-only digital copies of, or give Franchisee Intranet access to, additional manuals and materials Franchisor develops for aspects of the System (which items, together with the Confidential Operations Manual, are referred to hereafter as the "Manuals"). In order to protect Franchisor's reputation and goodwill, the System and the Marks, Franchisee must operate the Business in strict conformance with the Manuals.

11.2 Franchisee agrees that Franchisor may modify the System, and that modifications to the System may require modifications to the Manuals. Franchisee agrees to operate the Business in strict conformance with any modifications to the Manuals, and to promptly implement modifications following receipt by Franchisee, unless Franchisor otherwise states.

11.3 The mandatory specifications, standards, procedures and rules contained in the Manuals, and any modifications that Franchisor makes, are provisions of this Agreement as if fully stated in this Agreement. All references in this Agreement to the provisions of the Manuals includes all modifications thereto, as of the time they are in effect.

11.4 Franchisee must at all times ensure that its version of each Manual that Franchisor provides is up-to-date and kept in a secure place. If there is any dispute as to their contents, the terms of Franchisor's master copies of any Manual that we maintain at Franchisor's headquarters will be controlling.

11.5 Franchisee must treat as confidential all portions of each Manual that are designated as "Confidential", and the information contained therein, and Franchisee must take all reasonable precautions to maintain those manuals' and materials' confidentiality. Franchisee may not, without Franchisor's prior written consent, copy, duplicate, record or otherwise reproduce any Manual or any additional materials Franchisor develops, in whole or in part, or otherwise make the same available to any person who is not bound by the confidentiality terms of this Agreement or who has not signed a separate confidentiality agreement (see Section 19.2).

12. ACCOUNTING PROCEDURES AND BUSINESS RECORDS

12.1 Franchisee must use computerized record-keeping and accounting systems as Franchisor requires. Franchisor shall be granted computerized access into Franchisee's accounting system for financial and sales mix data to be used for the purposes of calculating the amount of Royalty Fee and Brand Building Fund payments due, analyzing sales trends, and providing support services to Franchisee.

12.2 Franchisee recognizes the importance of financial and statistical analysis, and therefore will provide Franchisor with periodic reports concerning the Business in the forms and at the times and places required in the Manuals and prepared in accordance with accounting methods Franchisor accepts.

12.3 Franchisee must provide Franchisor annually, within 3 months after Franchisee's fiscal year end, with a statement of revenues, expenses and income (or loss) for the year, and a statement of assets and liabilities as of the end of the year, which statements must be prepared in accordance with accounting methods Franchisor accepts. At Franchisor's option, Franchisor may require this statement to be prepared by an independent certified public accountant in accordance with the standards for a compilation or review. Simultaneously with this statement, Franchisee must provide Franchisor with copies of all tax returns Franchisee files for the year as to the Business, including federal and state income tax returns.

12.4 Franchisee must submit to Franchisor any other financial or statistical reports, records, statements or information that Franchisor reasonably deems to be required or desirable, in the forms and at the times and places Franchisor reasonably states, in the Confidential Operations Manual or otherwise in writing.

12.5 All financial or statistical information Franchisee provides to Franchisor must be accurate and correct in all material respects. Each of the financial statements and periodic reports provided by Franchisee must be certified by a Controlling Principal as true, complete and correct.

12.6 Franchisor has the right to use any financial or statistical information Franchisee provides as Franchisor for reasonable business purposes. For example, Franchisor may disclose any such information to prospective purchasers of Franchisee's Business and to other parties with a direct interest in the business of that Business, such as suppliers. Franchisor also may disclose the Business's Aggregate Sales, cost of goods sold, labor costs, and real estate occupancy costs, and your initial investments in the Business, as part of presentations to prospective franchisees of and investors in Franchisor. Otherwise, Franchisor will not disclose any information shown in any of Franchisee’s tax returns (other than information disclosed in other documents submitted to Franchisor) except: (i) with Franchisee’s permission; (ii) as required by law or compulsory order; or (iii) in connection with audits or collections under this Agreement.

12.7 During and for 5 years after the term of the Franchise, Franchisor or Franchisor’s designated agents have the right, at all reasonable times, to examine, copy and audit Franchisee’s and the Business’ books, records and tax returns. If an examination or audit discloses any underpayment of any fee, Franchisee must promptly pay the deficient amount plus interest calculated daily from the due date until paid at the lesser of a rate equal to 1.5% per month on the outstanding principal and interest or the highest rate of interest allowed by law, and a late fee of $100 as described in Section 9.11. If an examination or audit discloses an underpayment or understatement of any amount due Franchisor by 3% or more for any 3-month period, or if the examination or audit is made necessary by Franchisee’s failure to furnish required information or documents to Franchisor in a timely manner, Franchisee must, in addition, reimburse Franchisor for the cost of having Franchisee’s books examined or audited. If an examination or audit discloses an underpayment or understatement of any amount due Franchisor by 5% or more for any 3-month period, Franchisor will have the right to terminate the Franchise. These rights will be in addition to any other rights or remedies Franchisor has under this Agreement or otherwise.

12.8 During and for 5 years after the term of the Franchise, Franchisee must maintain and preserve all books, records and accounts of the Business for at least 5 years after the close of the fiscal year to which the books, records and accounts relate.

12.9 We have the right, through remote access to your computerized records or otherwise, to independent and unrestricted access to all data regarding the Business's customers, including names, email addresses, telephone numbers and ordering history (the "Customer Information"). We and our affiliates may use the Customer Information in our and their business activities, but during the Term we and our affiliates may not use the Customer Information to compete directly with the Business. Upon termination or expiration of this Agreement, and absent a successor franchise agreement between us and you or your authorized transferee, we and our affiliates may make any and all disclosures and use the Customer Information in any manner that we or our affiliates deem necessary or appropriate.

13. INSPECTION BY FRANCHISOR

13.1 Franchisor's field representative or designee may make an announced or unannounced inspection of the Business at any reasonable time to ensure compliance with all terms of this Agreement, which inspection may include interviews of Franchisee's managers, employees and independent contractors to ascertain their knowledge of and compliance with the System, as well as interviews with Franchisee's customers to determine their level of satisfaction. Franchisee agrees that the field representative or designee will be allowed to take a physical inventory of the assets of the Business, and to inspect any records of the Business, including Franchisee's books and financial accounts, at any time during normal business hours. Any inspection will be made at the expense of Franchisor or Franchisor's designee, but if Franchisor or Franchisor's designee makes a second inspections within a ninety (90) day period to assess whether Franchisee has cured any deficiencies in compliance with the Agreement including the Manuals, then Franchisee must pay the fee specified in Section 8.6 of this Agreement. At the conclusion of his or her inspection, the field representative or designee will prepare a written report. The Operating Principal, if present, or Franchisee's on-site manager will be given a copy of the report and will sign a second copy to be sent to Franchisor, on which he or she may agree with or contest the field representative's or designee's conclusions and observations.

13.2 During any inspection, Franchisee agrees to cooperate fully and to give any assistance reasonably requested. Promptly after receiving notice of any deficiencies detected in an inspection, Franchisee agrees to take steps necessary to correct the deficiencies, including if necessary the temporary closing of the Business. Without limiting Franchisor's other rights and remedies, Franchisor will have the right, if Franchisee fails or refuses to act promptly, to make or cause to be made any required corrections and to charge the costs of correction to Franchisee.

14. EQUIPMENT, SOFTWARE, SUPPLIES, PRODUCTS AND SERVICES

14.1 To preserve the value and goodwill in the Marks and the overall welfare of the System, Franchisee must obtain all equipment, software, supplies, products and services from vendors approved by Franchisor. In this regard, Franchisee must:

(a) purchase and use the point-of-sale system and/or subscribe to an online computer network as Franchisor requires;

(b) obtain from Franchisor or Franchisor's approved vendors all foods, beverages and other restaurant supplies;

(c) obtain from Franchisor's approved vendors all equipment, software, supplies, products and services as Franchisor requires in the Manuals; and

(d) participate in any purchasing or distribution cooperatives that Franchisor may establish, if Franchisor requires Franchisee's participation.

14.2 You must obtain all food and beverage items, ingredients, supplies, materials, fixtures, furnishings, equipment (including electronic cash registers, computer hardware and software), and other products used or offered for sale at the Business solely from suppliers who demonstrate, to Franchisor's continuing reasonable satisfaction, the ability to meet our then-current standards and specifications. Our criteria for supplier approval, in general terms, are that the supplier must have adequate quality controls and the capacity to supply your needs promptly and reliably, and that our approval of the supplier will not negatively impact the pricing that other franchised and company-owned Businesses receive from our previously approved suppliers. If you wish to purchase, lease or use any products or other items from an unapproved supplier, you must submit a written request for approval, or must request the supplier to do so. You may not make any purchases from that supplier unless and until we have approved such supplier in writing. We can require that our representatives be permitted to inspect the supplier's facilities and that samples from the supplier be delivered either to us or to an independent laboratory for testing. You must pay the cost of the inspection, and the actual cost of the test must be paid by you or the supplier. We are not obligated to approve your request for approval of an alternative supplier. However, we will notify you, within 30 days after we complete the inspection and evaluation process, of our approval or disapproval of any proposed supplier. We reserve the right to re-inspect the facilities and products of any approved supplier and to revoke our approval in writing if the supplier fails to continue to provide quality products or services, promptly and reliably, or if your continued use of the supplier negatively impacts the Businesses' relationship with previously approved suppliers of the same goods or services. Moreover, we may require that any supplier of ingredients or consumables agree to supply those items through our exclusive broad-line distributor.

14.3 Franchisor or Franchisor's affiliates may offer to sell to Franchisee equipment, software, supplies, products and services used in operating a COCKY ROOSTER Business. Franchisor or Franchisor's affiliates will endeavor, to the extent Franchisor is able to do so based on total purchases by all THE COCKY ROOSTER Businesses, to negotiate volume purchasing arrangements so that you may purchase inputs at prices not otherwise generally available to food service purveyors that operate independently from a franchise or other chain.

14.4 To the extent Franchisor is not the manufacturer of any equipment or supply that Franchisor may sell or provide to Franchisee, unless specifically stated otherwise in writing, Franchisor does not provide any warranty or guarantee to Franchisee or any third party, and Franchisee may not make any representation to the contrary to any third party. If Franchisor is able to secure from any manufacturer any warranty, guarantee or assumption of liability that Franchisor is authorized to convey to Franchisee, Franchisor will so notify Franchisee.

14.5 Security deposits or advance payments may be required by Franchisor or Franchisor's affiliates as to Franchisee's purchases of fixtures, equipment or supplies by

Franchisee. Franchisee agrees to pay all invoices rendered by Franchisor or Franchisor's affiliates for equipment or supplies within 30 days after the dates of the invoices.

14.6 Franchisee agrees to use in the operation of the Business all software that Franchisor prescribes, and to comply with all specifications and standards that Franchisor prescribes regarding proprietary software. Proprietary software may be developed and integrated into the System in Franchisor's discretion. Franchisor or Franchisor's designee will provide any initial issuances, upgrades or updates of proprietary software to Franchisee for reasonable fees. Franchisor will license the proprietary software to Franchisee, and Franchisee will execute a Computer Software Franchise Agreement for any proprietary software. Franchisor may include timers or other security devices (collectively "Security Devices") in Franchisor's proprietary software. Franchisor may use the Security Devices to prevent Franchisee's use of Franchisor's proprietary software if the Franchise expires, or is terminated, repurchased or transferred. Franchisor will not be liable to Franchisee for any loss of data, business interruption or any other damages alleged to be caused by Franchisor's use of the Security Devices in such circumstances.

15. APPEARANCE OF BUSINESS

15.1 The condition and appearance of a COCKY ROOSTER Business is part of Franchisor's trade dress. Franchisee may make no change to Franchisee's facility design or appearance without Franchisor's prior written consent. Franchisee must maintain the condition and appearance of the Business consistent with Franchisor's trade dress and the image of the business as a clean, attractive, modern, sanitary, convenient and efficiently operated facility selling high quality products and services, including periodic cleaning, repainting, repairs and replacement of obsolete fixtures, equipment, and furnishings as Franchisor reasonably require. If at any time, in Franchisor's reasonable judgment, the general state of repair, appearance or cleanliness of the premises of the Business or its equipment, fixtures, furniture, signs or decor does not meet Franchisor's standards, Franchisor will so notify Franchisee, specifying the action to be taken by Franchisee to correct the deficiency. Without limiting the foregoing, every five (5) years Franchisor may require Franchisee to upgrade, at its expense, the computer and/or security systems used in the Business. If Franchisee fails or refuses to initiate, within 30 days after receipt of notice, and then continue, a bona fide program to undertake and complete any required maintenance within the timetable set by Franchisor, Franchisee's failure or refusal will be considered a default for which Franchisor may terminate the Franchise. In addition, Franchisor will have the right, but will not be obligated, to enter the premises of the Business and effect required repairs, painting, decorating and/or replacements of equipment, fixtures, furniture, signs or decor on behalf of Franchisee, and Franchisee will have the obligation to pay the entire cost to Franchisor on demand.

15.2 Franchisee agrees to purchase or lease, and to display at the Business, only signs, emblems, logos, lettering and pictorial materials that are in accordance with specifications required by Franchisor in the Manuals or otherwise in writing, subject to changes for which Franchisor has given Franchisor's prior written consent. Franchisor has the right to revise the specifications for signs, emblems, logos, lettering and pictorial materials, and Franchisee must promptly alter Franchisee's signs, etc., at Franchisee's location to conform to the revised specifications. The alterations will be at Franchisee's expense if revisions are required no more often than once every 3 years.

15.3 Franchisee, at Franchisee's or Franchisee's employees' expense, will cause Franchisee's employees and independent contractors to present themselves to customers and prospective customers, in terms of general appearance, dress and accessories, in accordance with written standards Franchisor requires in the Manuals or otherwise in writing.

16. ADVERTISING AND PROMOTION

16.1 Recognizing the value of marketing support and the importance of the standardization of promotions and public relations programs to the furtherance of the goodwill and public image of the System and the Marks, Franchisee agrees to pay into a system-wide advertising, marketing and promotional fund (the "Brand Building Fund" or the "Fund") during the term of the Franchise and on a bi-weekly basis, an amount Franchisor determines, provided that we may not require payments in excess of 1% of Franchisee's Aggregate Sales during any calendar year.

16.2 The Fund will be maintained and administered as follows:

(a) Any company-owned COCKY ROOSTER Business will make contributions to the Fund on a basis at least equal to that described in Section 16.1.

(b) Franchisor will direct all advertising and promotional programs, with the sole discretion of approval over agencies, spokespersons, creative concepts, materials, and media placements and allocations used in the programs. The Fund will establish and maintain an on-line presence. Franchisee agrees that the Fund is intended to maximize general public recognition and acceptance of the Marks for the benefit of the System, and that Franchisor and Franchisor's designees undertake no obligation in administering the Fund to make expenditures for Franchisee that are equivalent or proportionate to Franchisee's contributions, or to ensure that Franchisee benefits directly or pro rata from the activities paid for by the Fund.

(c) Franchisee agrees that the Fund may be used in any manner that we determine, in the exercise of our reasonable business judgment, will further public acceptance and patronage of THE COCKY ROOSTER Businesses, except for those activities solely devoted to recruiting new franchisees. By way of example only, we may use the Fund to meet the costs of researching, preparing, maintaining, administering and directing advertising and promotional materials and programs (including the costs of preparing and conducting advertising campaigns and other public relations activities; employing advertising agencies; providing mechanisms for customer feedback; conducting market research for product innovations; and providing promotional brochures and other marketing materials to franchisees. All sums contributed to the Fund will be maintained in a separate account from Franchisor's general funds and will not be used to defray Franchisor's general operating expenses, except for reasonable administrative costs and overhead incurred in activities related to the administration or direction of the Fund.

(d) If Franchisor spends less than the total of all contributions to the Fund during any fiscal year, Franchisor has the right to retain those contributions for use in subsequent years. If Franchisor spends more than the contributions accumulated in the Fund during any fiscal year, Franchisor will have the right to receive from the Fund, reimbursement or credit during the same or subsequent years to the extent of the excess expenditure.

(e) We will prepare an annual unaudited summary report on the operation of the Fund by no later than 120 days after fiscal year end, which we will provide to you on a confidential basis if you request to see it.

(f) Although the Fund is intended to be of perpetual duration, Franchisor retains the right to terminate the Fund. The Fund will not be terminated, however, until all contributions have been used for the purposes described above or returned to contributors on a prorated basis.

(g) Franchisor may establish a council of franchisees to advise us on advertising policies and the administration of the Fund. The council will be advisory and have no operational or decision-making power. If established the council will operate under bylaws that we establish. We will have the right, at any time, to change or dissolve the council or to revise its bylaws.

16.3 Local Advertising and Use of Advertising Materials.

(a) Franchisee must spend at least 1% of Franchisee's Aggregate Sales on local advertising and promotion, as measured on a quarterly basis. We may require you to prepare and submit to us, within 30 days of the end of each calendar quarter, a report detailing your expenditures on advertising and promotion during the quarter just ended. We may audit your expenditures on advertising and promotion to ensure your compliance with this requirement, which is important for the continued growth of the Business.

(b) Franchisee must submit to Franchisor, for Franchisor's approval, all materials to be used for local advertising, unless they have been approved before or they consist only of materials Franchisor provided. All materials containing Franchisor's proprietary marks must include the designation trademark ™, registered trademark ®, service mark K, copyright ©, or any other designation Franchisor specifies. If Franchisee does not receive written or oral disapproval of any materials submitted within 10 days from the date Franchisor receives the materials, the materials are approved. Franchisor may require Franchisee to withdraw and/or discontinue the use of any promotional materials or advertising, even if previously approved. Franchisor must make this requirement in writing, and Franchisee has 5 days after receipt of Franchisor's notice to withdraw and/or discontinue use of the materials or advertising. Franchisee's submission of advertising for approval does not affect Franchisee's right to determine the prices at which Franchisee sell Franchisee's services or products. Franchisee must include in any significant display advertisements, and in marketing materials for the Business, in conformance with standards in the Confidential Operations Manual, a notice that the Business is individually owned and operated.

(c) If other THE COCKY ROOSTER Businesses that Franchisee does not operate are located in the same metropolitan statistical area as the Business, Franchisee must participate in any advertising cooperative that Franchisor establishes or causes to be formed to promote all THE COCKY ROOSTER Businesses in the metropolitan area or such smaller region as we designate. Such participation may involve, for example, Franchisee paying its pro rata share of the cost of advertising placed on behalf of Franchisee and other THE COCKY ROOSTER Businesses in the designated region. All expenditures that Franchisee makes through the Advertising Cooperative shall be credited towards Franchisee's satisfaction of the Local Advertising requirement specified in subsection (a) above. Any such cooperative that Franchisor establishes or causes to be formed shall be governed by its own bylaws, which Franchisor may create and revise; provided, however, that each THE COCKY ROOSTER Business shall be entitled to one vote on all decisions made on the amount of contributions required and the manner in which such funds shall be spent. All advertisements and promotions must be approved by us in advance of placement or implementation.

(d) Notwithstanding the decision of any cooperative under subsection (c) above, in no event may Franchisor require Franchisee to spend in excess of three percent (3%) of its Aggregate Sales during any calendar year on advertising or promotion, including payments into the Brand Building Fund, any cooperative and locally.

17. INSURANCE

17.1 Franchisee must secure before opening the Business, and then must continuously maintain during the term of the Franchise, insurance at Franchisee’s expense, as follows:

(a) Worker's compensation or similar insurance as required by the law of the state or jurisdiction in which Franchisee is engaged in business. This insurance must be maintained for trainees, as well as for those employed or engaged in the operation of the Business.

(b) Comprehensive General Liability Insurance, including broad form contractual liability, broad form property damage, personal injury, advertising injury, completed operations, products liability and fire damage coverage, in the amount of $2,000,000 combined single limit.

(c) “All risk” insurance on the premises, equipment (except portable equipment) and supplies, for loss or damage by fire, windstorm, flood, casualty, theft and other risks usually insured against by the owners or lessors of similar property. The insurance must be for the full cost of the replacement cost of the property. Unless a written waiver is obtained from Franchisor, any COCKY ROOSTER Business sustaining loss or damage must be repaired, restored or rebuilt within 60 days of the date of the loss or damage.

(d) Crime insurance for employee dishonesty in the amount of $10,000 (combined single limit).

(e) Other insurance required by your landlord and the state or locality in which the Business is located and operated.

17.2 If circumstances require for the protection of Franchisee and Franchisor, Franchisor, in Franchisor's sole discretion, may increase or modify the insurance limits noted above and may require additional types of insurance. If Franchisor determines that any required insurance is not generally available to Franchisee at a cost that Franchisor, in Franchisor's sole and absolute judgment, deems to be reasonable, then Franchisor may modify the insurance requirements to provide for lower limits until the insurance becomes available at a reasonable cost.

17.3 Each insurance policy Franchisee maintains for the Business must: name Franchisor, and Franchisor's affiliates, successors, assigns, shareholders, partners, officers, directors, employees and agents as additional insureds; require the insurer to defend each person or entity if there is a claim; provide that any liability coverage afforded applies separately to each person or entity against whom a claim is brought as though a separate policy had been issued to that person or entity; contain no provision that limits or reduces coverage if there is a claim by one or more additional insured, or by reason of any insurance that Franchisor maintains; and provides coverage for Franchisee's indemnification obligation under Section 18 of this Agreement. Coverage for the additional insured will apply on a primary basis irrespective of any other insurance, whether collectable or not. All insurance policies must be issued by insurance companies with performance ratings of at least A+ as rated in the most recent edition of Best's Insurance Reports or comparable publication.

17.4 At least 10 days before opening the Business and then annually when annual financial statements are provided, Franchisee must furnish to Franchisor a then-current copy of each insurance policy, including all amendments and endorsements, evidencing the limits noted above or as then required, and providing that the insurance will not be cancelled, amended or modified without 30 days' prior written notice to Franchisor, together with evidence of your payment of premiums.

17.5 Franchisee may not reduce any insurance limit, restrict any insurance coverage, or cancel, alter or amend any insurance policy without Franchisor's prior written consent. If Franchisee fails to obtain or maintain any required insurance, Franchisee agrees that Franchisor may, but is not obligated, to obtain the insurance and that Franchisee will reimburse Franchisor for the cost of the insurance, plus an administrative fee equal to ten percent (10%) of that cost, within 30 days of the date of Franchisor's invoice. Franchisee expressly waives any objection to Franchisor's purchase of insurance under this Section.

18. INDEMNIFICATION

18.1 For purposes of this Article 18, the following terms mean:

(a) "Claim" means and includes any action, suit, proceeding, claim, demand, investigation or inquiry (formal or informal), or any settlement thereof (whether or not a formal proceeding or action has been instituted).

(b) "Losses and Expenses" means and include, without limitation, all losses, damages (including consequential, compensatory and exemplary damages), fines, charges, costs, expenses, lost profits, legal fees, court costs, settlement amounts and judgments.

Without in any way limiting the foregoing, Losses and Expenses include compensation for damages to Franchisor's reputation and goodwill, to its ability to obtain or maintain financing, for its costs for advertising material and media time/space purchased in response to the covered claim, and any and all expenses of refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

18.2 Franchisee must at all times, indemnify and hold harmless to the fullest extent permitted by law Franchisor and Franchisor's affiliates, successors and assigns, and Franchisor's partners, shareholders, officers, directors, employees and agents (collectively, the "Franchisor Parties") from and against any and all Losses and Expenses incurred in connection with any Claim whatsoever arising from the business of the Business or occurring on its premises, including any of the following:

(a) The infringement, alleged infringement, or any other violation or alleged violation by Franchisee of any patent, mark or copyright or other proprietary right owned or controlled by a third party (except for any infringement, alleged infringement, or any other violation or alleged violation involving the Marks or Franchisor's materials for which Franchisor is obligated to indemnify Franchisee pursuant to Section 20.8 hereof);

(b) The violation, breach or asserted violation or breach by Franchisee of any federal, state or local law, rule, regulation, order, directive or any applicable industry standard;

(c) Libel, slander or any other form of defamation of any of the Franchisor Parties, the System or any franchisee operating under the System, by Franchisee, its affiliates and/or any of the Controlling Principals;

(d) The violation or breach of any warranty, representation, agreement or obligation under this Franchise Agreement or any other agreement between you and us, or any contract or agreement with a third party concerning or relating to the Business; and

(e) Acts, errors, or omissions of the Franchisee Parties in connection with the establishment or operation of the Business or otherwise in connection with the Business.

18.3 Franchisee must give Franchisor immediate written notice of any Claim. At the expense and risk of Franchisee, Franchisor may assume control of, and/or select counsel of its own choosing with respect to, the defense and/or settlement of any such Claim in which liability is asserted against Franchisor. Such an undertaking by Franchisor shall, in no manner or form, diminish the obligation of Franchisee and each of the Controlling Principals to indemnify Franchisor and all of the Franchisor Parties and to hold them harmless.

18.4 In order to protect Persons or property, or its reputation or goodwill, or the reputation or goodwill of others, Franchisor at any time and without notice, may consent or agree to settlements or take such other remedial or corrective action as it deems expedient with respect to the Claim if, in Franchisor's reasonable judgment, there are reasonable grounds to believe that any of the acts or circumstances enumerated in Sections 18.2(a) through 18.2(d) have occurred; or any act, error, or omission as described in Section 18.2(e) may result directly or indirectly in damage, injury, or harm to any Person or any property.

18.5 All Losses and Expenses incurred under this Article 18 shall be chargeable to and paid by Franchisee pursuant to the obligations of indemnity under this Article 18, regardless of any actions, activity or defense undertaken by Franchisor or the subsequent success or failure of such actions, activity, or defense.

18.6 Neither Franchisor nor the Franchisor Parties assume any liability whatsoever for acts, errors, or omissions of any third party with whom Franchisee, any of its Affiliates, the Controlling Principals or any other Franchisee Parties may contract, regardless of the purpose of such contract. Franchisee must hold harmless and indemnify Franchisor and the Franchisor Parties for all Losses and Expenses that result from or arise out of any acts, errors or omissions of Franchisee, without regard to the cause or causes thereof or the negligence of Franchisor or any Franchisor Party, whether such negligence be sole, joint or concurrent, or active or passive.

18.7 Under no circumstances will Franchisor or any of the Franchisor Parties be required or obligated to seek recovery from third parties or otherwise mitigate their losses in order to maintain a claim against Franchisee or any of the Controlling Principals. Franchisee and each of the Controlling Principals agree that the failure to pursue such recovery or to mitigate losses will in no way reduce the amounts recoverable from Franchisee by Franchisor or any of the Franchisor Parties.

18.8 The terms of this Article 18 shall survive the termination or expiration of this Franchise Agreement or the Transfer of any interest herein.

19. LEGAL COMPLIANCE, TAXES, LICENSES, UTILITIES AND OTHER OBLIGATIONS

19.1 Franchisee must comply with all laws applicable to the operation of the Business, including all administrative and governmental regulations relating to fictional business names, employment and labor, occupational hazards, health, consumer protection, and unfair or deceptive practices, securing and promptly paying for all licenses, permits and inspections, and promptly paying all withholding, unemployment, occupational, privilege, license, sales, use and income taxes and the like, including all taxes and fees levied and asserted on Franchisee's business property, and all water, gas, telephone, electric, power and other utility charges assessed or charged to the Business.

19.2 Franchisee must promptly satisfy any other indebtedness that Franchisee incurs in operating the Business.

19.3 Franchisee must promptly notify Franchisor of the commencement of any action, suit or proceeding, or of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality that may adversely affects the operation of the Business.

19.4 If there is any bona fide dispute as to any liability for taxes assessed or other indebtedness, Franchisee may contest the validity of the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law; however, Franchisee may not permit a tax sale or seizure by levy of signing or similar writ or warrant, or attachment by a creditor to occur against the premises of the Business or any of its improvements.

20. PROPRIETARY MARKS

20.1 The Marks are the exclusive property of Franchisor's parent company, which has provided Franchisor with the exclusive right to sub-license the Marks to franchisees. Franchisee agrees that Franchisee's use of the Marks is a temporary authorized nonexclusive use under license and that Franchisor retains all ownership interests in the Marks. Franchisee acknowledges and agrees that all goodwill arising from or in connection with the use of the Marks will inure to Franchisor's benefit. Franchisee agrees to use the Marks only in accordance with the terms of this Agreement and agrees that the use of the Marks outside the scope of the terms of this Agreement without Franchisor's prior written consent, is an infringement of Franchisor's exclusive right, title and interest in and to the Marks. Franchisee agrees that during the term of the Franchise, and after the expiration, termination, repurchase or transfer of the Franchise, Franchisee will not, directly or indirectly, commit an act of infringement or contest or aid others in contesting the validity, distinctiveness, secondary meaning, ownership or enforceability of the Marks, or take any other action in derogation of the Marks, and that no monetary amount will be assigned as attributable to any goodwill associated with Franchisee's use of the System or the Marks, except as part of a transfer of the Franchisee or the Business in full compliance with Section 23 of this Agreement.

20.2 Franchisee must provide products and services to the public under the service mark, trademark and trade name "THE COCKY ROOSTER" and the logo trademark "THE COCKY ROOSTER TAKE YOUR WINGS AND FLY", but may not use any Mark, any derivation or modified version of any Mark, or any confusingly similar mark, as part of any corporate, partnership, firm or other business name, Web site address, domain name, email address, social media page or "handle," or other identification in any print, electronic or other medium; or with any prefix, suffix or other modifying word, term, symbol or design. Franchisee may not use any Mark in connection with the offer or sale of unauthorized services or products or in any manner that Franchisor has not authorized in writing. Franchisee agrees to execute, during or after the term of the Franchise, at Franchisor's request, any consents necessary for the registration of Franchisor's corporate name in the state where Franchisee conducts the Business.

20.3 Franchisee agrees that when any Mark is affixed to any packaging or point of sale display, or is used in advertising or promotional materials, the Mark will be accompanied either by an appropriate notice immediately following the Mark: ™ if on a product package and ^{SM} if advertising a service or by an asterisk immediately following the Mark and the legend "THE COCKY ROOSTER" is a service mark or trademark of Plan B Partners, LLC (or other appropriate corporate name)" printed on or in the package, display, advertisement or material. A suitably abbreviated form of the legend, approved by Franchisor, may be used where space restrictions so require. If Franchisor receives a Certificate of Registration from the United States Patent and Trademark Office for any Mark, the symbol ® will be substituted for the notices described above, and the word "Registered" will precede the word "service" in the legend described above, as required by written notice from Franchisor to Franchisee.

20.4 If it becomes advisable at any time, in Franchisor's sole and absolute judgment, for the business to modify or discontinue use of any Mark and/or to use one or more additional or substitute service marks, trademarks, trade names or trade dresses, Franchisee agrees to comply with Franchisor's directions to modify or otherwise discontinue the use of the Mark, and/or to use one or more additional or substitute service marks, trademarks, trade names or trade dresses, within a reasonable time after receiving notice from Franchisor. Franchisee will be responsible for the costs of modifying or discontinuing the use of any trademark, service mark or trade name, or using one or more substitute trademarks, service marks or trade names. Franchisor will not be responsible for reimbursing Franchisee for any loss of goodwill in connection with the modification or discontinuation of any Mark or trade name.

20.5 During the term of the Franchise, in conjunction with the use of any Mark, Franchisee must identify itself as the operator of the Business on letterhead, checks, payments, invoices, order forms, contracts and similar documents, and, where Franchisor require, on signs. The form and content of the identification must comply with specifications in the Manuals.

20.6 During the term of the Franchise, Franchisee must file and maintain requisite trade name or fictitious name registrations, and must execute any documents deemed necessary by Franchisor or Franchisor's counsel to obtain protection for the Marks or maintain their continued validity and enforceability.

20.7 Franchisee must promptly notify Franchisor of any use of any Mark or any name or mark confusingly similar to any Mark by any person or entity other than Franchisor or another of Franchisor's Franchisees or Franchisees.

20.8 Franchisee must notify Franchisor immediately by telephone and thereafter in writing of any apparent infringement of or challenge to Franchisee's use of any Mark, and any claim by any Person of any rights in any Mark, and Franchisee and the Controlling Principals must not communicate with any Person other than Franchisor, its counsel and Franchisee's counsel in connection with any such infringement, challenge or claim. Franchisor has complete discretion to take such action as it deems appropriate in connection with the foregoing, and the right to control exclusively, or to delegate control to its parent or affiliates of, any settlement, litigation or U.S. Patent and Trademark Office proceeding arising out of any such alleged infringement, challenge or claim, or otherwise relating to any Mark. Franchisee agrees to execute any and all instruments and documents, render such assistance, and do such acts or things as may, in the opinion of Franchisor, reasonably be necessary or advisable to protect and maintain the interests of Franchisor or any other Person in any litigation or other proceeding or to otherwise protect and maintain the interests of Franchisor or any other interested party in the Marks. Franchisor will indemnify Franchisee against and reimburse Franchisee for all losses, damages and expenses (excluding consequential and special damages) actually incurred by Franchisee as a result of any settlement or litigation proceeding (including any settlement amounts) arising out of a claim that Franchisee's use of any of the Marks infringes on a third party's intellectual property rights; provided that Franchisee's use of the Marks is in full compliance with this Franchise Agreement; and, provided further, that Franchisee and the Controlling Principals have otherwise fully complied with the provisions of this Section 20.8 (and any other applicable provisions of this Franchise Agreement) with respect to such settlement, litigation or proceeding.

20.9 Franchisee agrees that the use of any Mark contrary to any term of this Agreement is an act of infringement, and that the use will cause irreparable injury to Franchisor and entitle Franchisor to an order of specific performance and/or a temporary, preliminary or permanent injunction, without bond, from a court of competent jurisdiction, court costs, reasonable expenses of litigation, reasonable attorney's fees, and any other appropriate relief.

21. TRADE SECRETS AND CONFIDENTIAL INFORMATION

21.1 Franchisee acknowledges that the System involves trade secrets Franchisor owns and that, during Franchisee's relationship with Franchisor, Franchisee will acquire knowledge of confidential information, including know-how, sales, organizational, operational and other information concerning the System.

21.2 Franchisee agrees that, without Franchisor's prior written consent, Franchisee will never either during or after the term of the Franchise, use or allow the use of any trade secret or confidential information except in connection with the operation of the Business by persons actively involved in the operation of the business. Franchisee further agrees that Franchisee will not disclose the contents of any manuals, plans, records or other documents relating to the Business to any third party, except a party who is actively involved in the operation of the business and who has a valid need for disclosure. You must take any and all reasonable measures to require any employee or third party to whom you disclose any trade secret or confidential information to maintain the confidentially of that information, and you must inform such people that the information is confidential and proprietary to Franchisor.

21.3 Franchisee agrees to promptly reveal to Franchisor discoveries, inventions, innovations or improvements made by Franchisee or any of Franchisee's Managers, employees or independent contractors relating to materials, devices, methods or processes in any way connected with the System, and further agrees that all proprietary interests in the information, materials, devices, methods, techniques, know-how and processes utilizing those discoveries, inventions, innovations and improvements will be Franchisor's property.

21.4 Franchisee agrees that use of any trade secret or confidential information contrary to any term of this Agreement is an act of infringement, and that the use will cause irreparable injury to Franchisor and entitle Franchisor to an order of specific performance and/or a temporary, preliminary or permanent injunction, without bond, from a court or agency of competent jurisdiction, court costs, reasonable expenses of litigation, reasonable attorney's fees, and any other appropriate relief. Franchisee agrees that Franchisee's only remedy if an injunction is entered against Franchisee will be the dissolution of that injunction, if warranted, upon due hearing, and expressly waives all claims for damages caused by the wrongful issuance of any injunction.

21.5 <u>Customer Information</u>

(a) Protection of Customer Information. You must comply with our directions in the Manuals and all Applicable Laws regarding the organizational, physical, administrative and technical measures and security procedures to safeguard the confidentiality and security of Customer Information (as defined in Section 12.9) and, in any event, employ reasonable means to safeguard the confidentiality and security of Customer Information. If there is a suspected or actual breach of security or unauthorized access involving Customer Information, you must notify us immediately after becoming aware of such actual or suspected occurrence and specify the extent to which Customer Information was compromised or disclosed. You are responsible for any financial losses you incur or remedial actions that you must take as a result of a breach of security or unauthorized access to Customer Information in your control or possession.

(b) Ownership and Use of Customer Information. You agree that all Customer Information that you collect in connection with the Business is deemed to be owned by us. You have the right to use Customer Information while this Agreement or a successor franchise agreement is in effect, but only to market and sell The Cocky Rooster products and services to customers in accordance with the policies that we establish periodically and Applicable Laws. You may not sell, transfer, or use Customer Information for any purpose other than marketing The Cocky Rooster products and services; however, you may assign your use rights solely in connection with a Transfer that we approve in accordance with Section 24 below. You must secure from your actual and prospective customers and others all consents and authorizations, and provide them all disclosures, that Applicable Laws requires to transmit Customer Information to us and our Affiliates, and for us and our Affiliates to use that Customer Information, in the manner that this Agreement contemplates.

22. NONCOMPETITION

22.1 Unless otherwise stated in this Agreement, the word "Franchisee" in this Section 21 includes, collectively and individually, each shareholder, member, partner, officer and director, and each direct or indirect holder (and each shareholder, member, partner, officer or director of each holder) of any beneficial interest in Franchisee, if Franchisee is a legal entity.

22.2 Franchisee agrees that during the term of the Franchise, Franchisee will not, directly or indirectly, for itself, or through, on behalf of or in conjunction with any person or entity, divert or attempt to divert any business or customer of the Business to any food service establishment that generates thirty percent (30%) or more of its revenues, in the aggregate, from the sale of bone-in or boneless chicken wings, chicken tenders, or vegan or vegetarian substitutes therefore (a “Competitor”) by direct or indirect inducement or otherwise, but this provision does not prohibit Franchisee from referring customers in good faith to other businesses that may be able to sell products not available from the Business.

22.3 Franchisee acknowledges: that certain methods of doing business and other elements comprising the System are unique and distinctive, and have been developed by Franchisor at great effort, skill, time and expense; that Franchisee will have regular and continuing access to valuable trade secrets, confidential information and valuable training regarding the System; and that Franchisee recognizes Franchisee’s continuing obligation to promote the Business. Franchisee accordingly agrees as follows:

(a) During the term of the Franchise, Franchisee will not, without Franchisor's prior written consent, directly or indirectly, for itself, or through, on behalf of or in conjunction with any other person or entity, own, operate, engage in, have any interest in, be employed by or perform any service for any Competitor located in the United States, or for any business that franchises or licenses Competitor establishments in the United States.

(b) Franchisee agrees that, for an uninterrupted period of two (2) years after the expiration or termination of the Franchise, regardless of the cause of expiration or termination, Franchisee will not, without Franchisor's prior written consent, directly or indirectly, for itself, or through, on behalf of or in conjunction with any other person or entity, own, operate, engage in, have any interest in, be employed by or perform any service for a Competitor that operates: (1) at the Approved Location, (2) within 10 miles of the Approval Location, or (3) within ten (10) miles of any COCKY ROOSTER operating at the time of expiration or termination.

(c) Franchisee agrees that, for an uninterrupted period of two (2) years after the expiration or termination of the Franchise, regardless of the cause of the end of the Franchise relationship, Franchisee will not, without Franchisor's prior written consent, directly or indirectly, for itself, or through, on behalf of or in conjunction with any other person or entity, own, operate, engage in, have any interest in, be employed by or perform any service for a business that franchises or licenses Competitor establishments in the United States.

22.4 Franchisee agrees that Franchisee's violation of any term of this Section 22 will cause irreparable injury to Franchisor for which no adequate remedy at law is available. Franchisee accordingly consents to the issuance of an order of specific performance and/or a temporary, preliminary or permanent injunction, without bond, prohibiting any conduct by Franchisee in violation of any term of this Section 22.

22.5 Each provision and subpart of a provision of this Section 22 is independent of each other provision and subpart of a provision of this Agreement. If a provision or subpart of a provision of this Section 22 is held unreasonable or unenforceable by any court, agency or other tribunal of competent jurisdiction, Franchisee agrees to be bound by any lesser provision or subpart that imposes the maximum duty permitted by law, as if the resulting lesser provision or subpart were separately stated in this Section 22, and also agrees to be bound by each other subpart of a provision of this Agreement.

22.6 Franchisee agrees that Franchisor may, in Franchisor's sole discretion, reduce the scope of any provision or subpart of any provision in this Section 22 without Franchisee's consent, effective immediately on written notice from Franchisor, and Franchisee agrees that Franchisee will promptly comply with any provision or subpart so modified, which will be fully enforceable notwithstanding any other provision or subpart of this Agreement.

22.7 Franchisee agrees that any claim Franchisee may have against Franchisor, whether or not related to the Business, will not be a defense to the enforcement by Franchisor of any provision of this Section 22. Franchisee further agrees that Franchisor will be entitled to set off any amounts Franchisor owed to Franchisee against any loss or damage to Franchisor arising from Franchisee's breach of this Agreement, including this Section 22.

22.8 This Section 22 will not apply to any ownership by Franchisee of less than a 5% beneficial interest in the outstanding equity securities of any publicly-held corporation.

23. TRANSFERS OF INTEREST

23.1 Franchisor may sell, assign, transfer, convey, give away, pledge, hypothecate, mortgage or otherwise encumber all or any part of Franchisor's rights, interests or obligations in this Agreement to any person or entity.

23.2 Transfer by Franchisee.

(a) Franchisee's rights and obligations under this Agreement are personal to Franchisee, and Franchisor has granted the Franchise in reliance on Franchisee's and/or Franchisee's principals' business skill, financial capacity, personal character, and reputation for honesty, integrity and fair dealing. Accordingly, Franchisee and Franchisee's successors, assigns, shareholders, partners and members, may not, without Franchisor's prior written consent, assign, transfer, convey, give away, pledge, hypothecate, mortgage or otherwise encumber any interest in Franchisee, the Business, the Franchise, or Franchisee's rights or responsibilities in this Agreement or any related agreement (any of which is a "Transfer" hereunder). Any purported Transfer not having Franchisor's prior written consent will be void.

(b) Franchisor will not unreasonably withhold Franchisor's consent to a Transfer, but if a Transfer, alone or together with other previous, simultaneous or proposed transfers, would have the effect of transferring either a controlling interest in or operating control of Franchisee, the Business, the Franchise, or Franchisee's rights or responsibilities in this Agreement or any related agreement, then Franchisor may, in Franchisor's sole discretion, require as conditions to Franchisor's consent that:

(i) Franchisee must be in substantial compliance with the terms of this Agreement;

(ii) The transferee (including any person with a beneficial interest in the transferee if it is a legal entity) has demonstrated to Franchisor's satisfaction that they meet the then-current standards which Franchisor would normally apply to any prospective Franchisee. The transferee, for example, has demonstrated that they meet Franchisor's educational, personal, managerial and business standards; possesses a good moral character and a good business reputation; has the aptitude and ability to conduct the Business (as may be shown by prior related experience); has adequate financial resources and capital to operate the Business; is financially responsible and has a good credit rating; will be likely in Franchisor's sole and absolute judgment to comply with the terms of this Agreement and Franchisor's then-current standard Franchise or Franchise agreement and Confidential Operations Manual; and has no direct or indirect connection with any actual or potential competitor of Franchisor or any of Franchisor's Franchisees or Franchisees;

(iii) Franchisee's debts to Franchisor and others relating to the Business have been satisfied;

(iv) Franchisee and the transferor have signed a general release, in a form satisfactory to Franchisor, of any claims against Franchisor and Franchisor's partners, shareholders, officers, directors, employees and agents, in their corporate and individual capacities;

(v) Franchisee or the transferor has paid the Transfer Fee pursuant to Section 8.4 of this Agreement;

(vi) The transferee has entered into a written transfer agreement, in a form satisfactory to Franchisor, assuming and agreeing to discharge Franchisee's and/or the transferor's obligations under this Agreement and any related agreements, and if the transferee is an entity then each person who owns twenty percent (20%) or more of the transferee's equity has issued a personal guaranty of the transferee's obligations substantially in the form of Appendix 4 hereof;

(vii) If the Transfer results in a change in the Operating Principal or the manager of the Store, then the new Operating Principal and/or manager successfully complete Franchisor's then-current initial training programs to our satisfaction and at the transferee's expense;

(viii) Franchisor has decided not to exercise Franchisor's right of first refusal, if any, under Section 23.5;

(ix) Franchisor and the transferee agree to a plan, with specific due dates, that the transferee must complete to update the Business's equipment and premises to Franchisor's then-current specifications as detailed in any Manual;

(x) Franchisor has consented to the material terms of the transfer, including the price and terms of payment, which will not be so burdensome as to adversely affect the operation of the Business by the transferee; and

(xi) If any part of the sale price of any transferred interest is to be financed, the transferor will have agreed that all obligations of the transferee under any promissory notes, agreements or security interests reserved by the transferor in the assets of the Business will be subordinate to the obligations of the transferee to pay continuing license fees, advertising contributions and other amounts due to Franchisor and Franchisor's affiliates, or otherwise to comply with this Agreement or the Franchise agreement signed by the transferee.

(c) No transfer in the nature of a grant of a security interest in Franchisee, this Agreement, any related agreement, the Franchise or the Business will be permitted without the Franchisor's written prior consent, in Franchisor's sole discretion. If Franchisor consents to a transfer in the nature of a grant of a security interest, and if the holder of the security interest later seeks to exercise Franchisee's right or assume the interest of Franchisee in the Franchise, this Agreement, any related agreement, Franchisee or the Business due to a default under any documents related to the security interest, Franchisor will have the option to purchase the rights of the secured party by paying all sums then due to the secured party, and the secured party will sign an agreement to that effect before any transfer takes place.

23.3 Transfer to Franchisee's Legal Entity. If a proposed transfer is to a legal entity Franchisee controls which is formed solely for the convenience of ownership, Franchisor's consent to the transfer may, in Franchisor's sole discretion, be conditioned on the following requirements:

(a) The legal entity's activities will be confined exclusively to operating the Business;

(b) Franchisee will own a majority stock interest, partnership or membership interest in the legal entity, and will act as its principal operating officer, partner or member;

(c) Each stock certificate or certificate of interest in the legal entity will have conspicuously endorsed on its face a statement in a form satisfactory to Franchisor that it is held subject to, and that further transfer is subject to, all restrictions on transfers in this Agreement;

(d) All shareholders, partners, or members will jointly and severally guarantee the legal entity's performance and payment obligations hereunder, and will bind themselves to the terms of this Agreement and any related agreements;

(e) Franchisee will maintain a then-current list of all partners, members or shareholders and beneficial owners of any class of stock, and furnish the list to Franchisor on request; and

(f) Copies of the transferee's Certificate and Articles of Incorporation, Certificate and Articles of Organization, Certificate and Agreement of Partnership, By-Laws, resolution authorizing entry into this Agreement and any other significant governing documents, promptly will be furnished to Franchisor.

23.4 If Franchisee is a legal entity, Franchisee will maintain stop transfer instructions against the transfer of any stock certificate, certificate of interest, or evidence of ownership contrary to the terms of this Section 25, and will issue no certificate on the face of which the following statement does not legibly and conspicuously appear:

> The transfer of this [stock certificate, certificate of interest, or evidence of ownership] is subject to the terms of a The Cocky Rooster Franchise Agreement between Plan C Franchising, LLC and [Company or corporation name] dated ______________.

23.5 Franchisor's Right of First Refusal.

(a) If Franchisee or any other person or entity at any time determines to sell an interest in Franchisee, the Franchise or the Business, a true and complete copy of the offer (and any proposed ancillary agreements) will immediately be submitted to Franchisor by Franchisee or the other person or entity involved. The offer must apply only to an interest in Franchisee, the Franchise or the Business. It must not include the purchase of any of Franchisee's other property or rights (or those of Franchisee's shareholder, partner, or member), but if the offeror proposes to buy any other of Franchisee's property or rights (or those of shareholder, partner or member) under a separate, contemporaneous offer, the price and terms of purchase offered to Franchisee (or to Franchisee's shareholder, partner or member) for the interest in Franchisee, the Franchise or the Business will reflect the bona fide price offered and will not reflect any value for any other property or rights. Franchisor will have the right, exercisable by written notice delivered to Franchisee, or the person or entity involved, within 30 days after receipt of the copy of the offer, to purchase the interest for the price and on the terms in the offer, but Franchisor may substitute cash, a cash equivalent or marketable securities of equal value for any form of payment proposed in the offer. Franchisor's credit will be deemed equal to the credit of any proposed purchaser, and Franchisor will have not less than 60 days to prepare for closing. If the parties cannot agree on a cash equivalent within a reasonable time, they will either jointly select 1 appraiser, or 3 appraisers will be selected (1 by Franchisor, 1 by Franchisee, and 1 jointly by the first 2 appraisers), and his, her or their determination will be binding. The parties will share equally the fees and expenses of any appraiser jointly selected, but each must pay any separately selected appraiser individually. Franchisor will be entitled to purchase the interest subject to all customary representations and warranties given by the seller of the assets of a business or voting stock of an incorporated business, as applicable, including representations and warranties as to ownership, condition and title to stock and/or assets, liens and encumbrances relating to the stock and/or assets, validity of contracts, and liabilities, contingent or otherwise, of any corporation whose stock is purchased. If Franchisor does not exercise Franchisor's right of first refusal, Franchisee or the person or entity involved may complete the sale to the purchaser under the terms of the offer subject to Franchisor's consent to the Transfer under Section 23.2(b), but if the sale to the purchaser is not completed within 120 days after receipt of the offer by Franchisor, or if there is a material change favorable to the transferee in the terms of the sale, Franchisor will have an additional right of first refusal for 30 days on the same terms as were applicable to the initial right of first refusal.

(b) If a proposed transferee is the spouse, child or parent of the proposed transferor, or is a person or entity already holding an equity interest in Franchisee or the Business, as of the date of this Agreement, that has been disclosed to Franchisor, Franchisor will not have any right of first refusal as provided in Section 23.5(a), unless the proposed transferee has a direct or indirect connection with any actual or potential competitor of Franchisor or any THE COCKY ROOSTER Businesses. However, written notification of this type of transfer must be provided to Franchisor by the transferor at least 30 days before consummation of that transfer.

23.6 On the death or permanent incapacity of any Controlling Principal, or on Franchisee's dissolution or termination as a legal entity, the executor, administrator, personal representative or trustee ("personal representative") of that person or entity will transfer his, her or its interest to a third party acceptable to Franchisor within 180 days after assuming that capacity. Any transfer of this type, including a transfer by devise or inheritance, will be subject to the same requirements as other transfers under this Agreement, but if the transfer is to a spouse, child or parent, the fee required under Section 23.2(b)(viii) will not be required, although if the transfer will result in a change in the Operating Principal then the transferee will have to pay our then-current initial training fee. If the personal representative is unable to meet these conditions, the personal representative of that deceased person will have an additional 60 days to dispose of the interest, which disposition will be subject to the requirements for transfers in this Agreement, including the requirements of this Section 23. If the interest is not disposed of within 60 days, Franchisor may terminate this Agreement, or may exercise an option to purchase or have transferred from Franchisee the assets of the Business in accordance with the procedures and standards specified in Section 23.5, by giving Franchisee written notice of the exercise of the option at any time during those additional 60 days.

23.7 Pending transfer on the death or permanent incapacity of Franchisee's Operating Principal, Franchisor will have the option to appoint a general manager to operate Franchisee's Business for Franchisee's account until an approved Operating Principal assumes the operation of the Business, for a period of up to 12 months without the consent of Franchisee, Franchisee's personal representative, or Franchisee's successor in interest. All funds from the operation of the Business during the period of operation by Franchisor's appointed general manager will be kept in a separate fund, and all expenses incurred, including compensation, other costs and travel and living expenses of Franchisor's appointed general manager (the "Management Expenses"), will be charged to the fund. As compensation for services provided, Franchisor will charge the fund the full amount of the Management Expenses incurred during the period of Franchisor's operation. Franchisor will only have a duty to utilize reasonable efforts in operating the Business, and will not be liable to Franchisee or Franchisee's principals for any debts, losses or obligations incurred by the Business, or to any creditor for any equipment, inventory, products, supplies or services purchased for the Business during any period in which it is operated by Franchisor's appointed general manager.

23.8 Franchisor's consent to a Transfer will not be a waiver of any claims Franchisor may have against the transferring party, nor will it be a waiver of Franchisor's right to demand the transferee's compliance with the terms of this Agreement.

24. DEFAULT AND TERMINATION

24.1 Except as may be prohibited by federal bankruptcy law or applicable state law, Franchisee will be deemed to be in default under this Agreement, and the Franchise will automatically terminate without notice to Franchisee, if Franchisee make a general assignment for the benefit of creditors, suffers the filing of an involuntary bankruptcy petition which is not dismissed within 60 days after filing, files a voluntary bankruptcy petition, is adjudicated a bankrupt, or suffers temporary or permanent court-appointed receivership of substantially all of Franchisee's property; if suit to foreclose any lien or mortgage against the premises or equipment of the Business is instituted and not dismissed within 30 days; or if the premises or equipment of the Business is sold after levy thereupon by any sheriff, marshal or constable.

24.2 Except as may be prohibited by federal bankruptcy law or applicable state law, Franchisee will be in default and Franchisor may, in Franchisor's sole discretion, terminate the Franchise, without giving Franchisee any opportunity to cure the default, effective immediately on giving written notice of termination to Franchisee, if:

(a) Franchisee is insolvent (are is unable to pay Franchisee's debts as they come due or have debts that are greater than Franchisee's assets) and not otherwise subject to automatic termination under Section 26.1;

(b) Franchisee, abandons the Business, or Franchisee ceases to operate the Business for two or more consecutive days, or for five or more days during any calendar month, without Franchisor's prior written consent, except if such ceasing of operations that occurs during a period of Force Majeure as defined in Section 29.3 below;

(c) Franchisee defaults under its lease or mortgage loan for the approved premises and fails to cure such default within the time period permitted under said lease or loan agreement;

(d) Franchisee defaults under its loan agreement with any lender that has a security interest over substantially all of the Store's assets, and fails to cure its default under that loan agreement within the time permitted therein;

(e) Franchisee or any Controlling Principal is convicted of a felony, a crime involving consumer fraud, or any other any other crime or offense that is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated with the System or the Marks, or Franchisor's interest in the System or the Marks (an "Adverse Effect"), or Franchisee or any Controlling Principal has engaged in or engages in activities that, in our reasonable opinion, have an Adverse Effect;

(f) Franchisee makes any unauthorized use of the System or the Marks, or otherwise materially impairs the goodwill associated with or Franchisor's rights in the System or the Marks;

(g) The operation of the Business is creating a threat or danger to public health or safety;

(h) Franchisee violates any applicable laws and does not begin to correct such noncompliance or violation immediately, or does not completely correct such noncompliance or violation within the time period prescribed by law, unless Franchisee is in good faith contesting liability for such violation through appropriate proceedings;

(i) Franchisee has repeatedly failed to make timely payments of any fees or other amounts owed to Franchisor, or have repeatedly committed defaults of this Agreement within 12 months of any prior default for which Franchisor has given Franchise written notice;

(j) Franchisee fails, for a period in excess of twenty-one (21) days, to operate the Business under the supervision of an individual who has completed our training program;

(k) Franchisee purchases from an unauthorized supplier any goods or materials incorporated in any menu item, including without limitation any food ingredients;

(l) Franchisee knowingly makes a materially false or incomplete statement in any report submitted to Franchisor;

(m) Franchisor discovers that Franchisee knowingly made a materially false or incomplete statement to Franchisor to obtain the Franchise;

(n) Franchisee or any other person or entity purportedly transfers any interest contrary to Section 23;

(o) Franchisee relocates the Business from the Approved Location without obtaining Franchisor's advance written approval;

(p) Franchisee engages in in-term competition contrary to Section 22;

(q) Franchisee improperly discloses the contents of any Manual or any other information learned or received under this Agreement and designated as "Confidential", contrary to Section 21 or Section 11;

(r) An approved Transfer is not affected following death, permanent incapacity or dissolution as required by Section 23.6;

(s) Franchisee suffers any federal, state or local tax lien, levy or suit to enforce the same brought against Franchisee or Franchisee's property;

(t) Franchisee fails to open for business within the period stated in Section 5.5 of this Agreement; or

(u) Franchisee underpays or under-reports any amount due Franchisor by five percent (5%) or more for any three (3) month period.

24.3 Except for the matters stated in Section 24.2, you will have a period of 30 days or such shorter number of days as specified below to cure any default for which Franchisor has given written notice of termination to Franchisee under this Section 24.3, and to provide Franchisor with evidence of the cure; provided, however, that if Franchisor is required to provide a longer cure period by a franchise relationship law in the state where the Store is located, then Franchisee shall have such longer period to provide evidence of the cure. If Franchisee does not demonstrate its cure within the specified period, the Franchise will terminate without the need for further notice to Franchisee, effective immediately on the expiration of the cure period, unless Franchisor provides its express written consent to an extension of the cure period (which Franchisor may or may not provide in its sole and absolute judgment). Franchisor may give written notice of termination under this Section 24.3 for any failure by Franchisee to comply with any term of this Agreement or any requirement in the Manuals. Defaults may include, for example, if:

(a) Franchisee fails, refuses or neglects to pay to Franchisor or any affiliated company any sum owing when due – five (5) days to cure;

(b) Franchisee fails to submit to Franchisor any required reports or information when due – ten (10) days to cure;

(c) Franchisee fails to place or maintain any required insurance policy, at the minimum policy level – ten (10) days to cure;

(d) Franchisee fails to cease use of any disapproved advertising or promotion following notice from Franchisor – 5 days to cure;

(e) Franchisee fails, refuses or neglects to obtain Franchisor's prior written acceptance, approval or consent as required by this Agreement;

(f) The Operating Principal fails to comply with the requirement of personal attention in Section 4;

(g) Franchisee fails to maintain books and records as stated in the Confidential Operations Manual and any additional manuals Franchisor provides to Franchisee, and in a manner that permits an accurate determination of Gross Revenues;

(h) Franchisee fails, refuses or neglects to pay to any third party, including any supplier, or government taxing or licensing authority, any amount owing when due, or to satisfy any other material obligation relating to the Business; or

(i) Franchisee fails to maintain any standard, specification or procedure required to be maintained or followed by this Agreement or any Manual.

24.4 Other Remedies. If you commit any of the defaults specified in Section 24.2, or if you fail to cure any other default during the time period specified in Section 24.3, rather than immediately terminating the Franchise we may, at our sole election and upon delivery of written notice to you, take any or all of the following actions without terminating this Agreement:

(a) Reduce the size of the Assigned Area by up to fifty percent (50%) of its size, in which event the restrictions on us and our Affiliates under Section 2.5 will not apply in the geographic area that was removed from the Assigned Area;

(b) For a period not to exceed ninety (90) days, remove information concerning the Store from our Website and/or stop your or the Store's participation in any other programs or benefits offered on or through the Website;

(c) suspend your right to participate in one or more programs or benefits that the Brand Building Fund provides;

(d) suspend any other services that we or our Affiliates provides to you under this Agreement;

(e) suspend or terminate any temporary or permanent fee reductions to which we might have agreed (whether as a policy, in an amendment to this Agreement, or otherwise);

(f) undertake or perform on your behalf any obligation or duty that you are required to, but fail to, perform under this Agreement. You will reimburse us upon demand for all costs and expenses that we reasonably incur in performing any such obligation or duty; and/or

(g) enter the Store's premises and assume the management of the Store ourselves or appoint a third party (who may be our Affiliate) to manage the Store, in accordance with the provisions in Section 23.7. Our (or our appointee's) management of the Store will continue for intervals lasting up to ninety (90) days each (and, in any event, for no more than a total of one year), and we will during each interval periodically evaluate whether you are capable of resuming the Store's operation and periodically discuss the Store's status with you.

24.5 Exercise of Other Remedies. Our exercise of our rights under Section 24.4 (Other Remedies. If you commit any of the defaults specified in Section 24.2, or if you fail to cure any other default during the time period specified in Section 24.3, rather than immediately terminating the Franchise we may, at our sole election and upon delivery of written notice to you, take any or all of the following actions without terminating this Agreement:) will not (i) be a defense for you to our enforcement of any other provision of this Agreement or waive or release you from any of your other obligations under this Agreement, (ii) constitute an actual or constructive termination of this Agreement, or (iii) be our sole or exclusive remedy for your default, as we expressly reserve all rights and remedies available to us under this Agreement and under applicable law. You must continue to pay all fees and otherwise comply with all of your obligations under this Agreement following our exercise of any of these rights. If we exercise any of our rights under Section 24.4, we may thereafter terminate this Agreement without providing you any additional corrective or cure period, unless the default giving rise to our right to terminate this Agreement has been cured to our reasonable satisfaction.

25. OBLIGATIONS AT THE END OF THE FRANCHISE

25.1 At the end of the Franchise relationship for any reason whatsoever, including a termination for cause under Section 24, expiration of this Agreement without entry into a successor agreement, or termination following a hold-over period as contemplated by Section 3.4 (any of which is a "Termination"), in addition to fulfilling Franchisee's other continuing obligations under this Agreement Franchisee must:

(a) promptly surrender to Franchisor or Franchisor's designee, or, if directed by Franchisor, destroy and immediately discontinue the use of, any materials or designations indicating or intending to indicate in any way that Franchisee has any continued association with us or with the Marks;

(b) immediately and permanently discontinue use of the System and any information received under this Agreement and designated as "Confidential";

(c) discontinue any advertising which may in any way identify or associate Franchisee with the Marks or the System;

(d) promptly deliver to Franchisor or Franchisor's designee the Confidential Operations Manual and all other manuals, bulletins, instruction sheets, forms, devices, customer, employee and independent contractor lists, other written materials, proprietary software, and all copies of the same, Franchisee received under this Agreement;

(e) promptly pay all charges due for telephone services and COCKY ROOSTER telephone listings, and assign those telephone listings to Franchisor or Franchisor's designee, or cancel them, as Franchisor directs;

(f) promptly pay all charges due for on-line computer network (Internet service provider) services, and cause any appropriate domain registrar or comparable Internet authority (such as InterNIC) to assign to Franchisor or Franchisor's designee any email address(es), domain name(s) or other comparable electronic identity(ies) used in connection with the Business, or to cancel any such identities, as Franchisor directs;

(g) promptly take any action necessary to cancel any assumed name or equivalent registration that contains the mark THE COCKY ROOSTER or any other Mark, and submit to Franchisor proof of compliance with this obligation within 30 days after repurchase, termination or expiration; and

(h) within 30 days of termination, pay any sums owed under this Agreement, and pay each third party any sums owed related to the Business for judgments or otherwise.

25.2 On Termination of the Franchise, Franchisor will have the option, exercisable by giving Franchisee written notice within 60 days after the date of Termination, to purchase or have transferred to Franchisor the assets of the Business. Those assets will include the leasehold improvements, equipment, furniture, fixtures, signs and inventory of the Business, and the lease for the premises of the Franchise business. Franchisor will have the unrestricted right to assign this option. If Franchisor exercise this option, the purchase and transfer will be completed on the following terms:

(a) Franchisor or our assignee will be entitled to all customary warranties and representations concerning the assets, including representations and warranties as to ownership, condition and title to the assets, liens and encumbrances on the assets, validity of contracts and agreements, and liabilities affecting the assets, contingent or otherwise;

(b) The purchase price for the assets of the Business will be their fair market value, determined in a manner consistent with reasonable depreciation of the owned leasehold improvements, equipment, furniture, fixtures, signs and inventory of the Business. The purchase price will not contain any factor or increment for any trademark, service mark or other commercial symbol used in the operation of the Business, or for the goodwill or "going concern" value of the Business. Franchisor will be permitted to exclude from the assets purchased and valued any equipment, furniture, fixtures, signs and inventory that do not meet the quality standards for THE COCKY ROOSTER Business. Also, the lease for the premises of the Business will not be considered in determining the fair market value of the assets. If Franchisee and Franchisor are unable to agree on the fair market value of the assets, the fair market value will be determined by an independent appraiser jointly selected by Franchisee and Franchisor, and if Franchisor are unable to agree on an appraiser, Franchisee and Franchisor will each select one appraiser, who will jointly select a third appraiser, and the fair market value will be deemed to be the average of the 3 independent appraisals, so long as the highest appraisal is no more than 30% greater than the middle appraisal. If the highest appraisal is more than 30% greater than the middle appraisal, the fair market value will be deemed to be the average of the lowest appraisal and the middle appraisal. Franchisee and Franchisor will share equally the fees and expenses of any appraiser jointly selected, but will pay for any separately selected appraiser individually.

(c) The closing of the purchase and transfer will take place no later than 90 days after Franchisee's receipt of Franchisor's notice of the exercise of this option. Franchisor or Franchisor's assignee will have the option of paying the purchase price at the closing, or in 12 equal monthly installments of principal and interest calculated at the rate of 8% per annum, with the first installment due at the closing. If the purchase price is paid at the closing (in cash, cash equivalents or marketable securities of equal value), at the closing, Franchisee will deliver instruments transferring to Franchisor or Franchisor's assignee:

(i) good and merchantable title to the purchased assets free and clear of all liens and encumbrances (other than liens and security interests acceptable to Franchisor or Franchisor's assignee), with all sales and other transfer taxes paid by Franchisee;

(ii) all licenses and permits for the Business which may be transferred; and

(iii) the lease for the premises of the Business (if Franchisor has not negotiated a new lease for the premises with the lessor).

If the purchase price is paid in installments (in cash, cash equivalents or marketable securities of equal value), at the closing, Franchisee will deliver the same instruments to Franchisor or Franchisor's assignee as those described above, except that the documents may reserve liens and encumbrances for Franchisee's benefit relating to the installments.

(d) Franchisor will have the right to set off against and reduce the purchase price of the assets by any and all amounts owed by Franchisee to Franchisor and Franchisor's affiliates, and by the amount of any liens or encumbrances against the assets or any other obligations related to the assets that Franchisor assumes;

(e) If Franchisor or Franchisor's assignee exercises this option, pending the closing, Franchisor will have the right to appoint a general manager to maintain the operation of the Business. If Franchisor does, the procedures, duties and limitations specified in Section 23.7 will apply to the operation of the Business by the general manager. Alternatively, Franchisor may require Franchisee to close the Business pending the closing without removing any assets from the premises; and

(f) Franchisee will maintain in force all insurance policies required under this Agreement pending the closing.

26. ENTIRE AGREEMENT; RELIANCE; MODIFICATION

26.1 This Agreement and the related agreements that are Appendices hereto are the entire agreement of the parties, superseding all prior written or oral agreements of the parties concerning the same subject matter; provided, however, that Franchisee also is required to comply with each mandatory specification and standard in the Manuals. In entering into this Agreement, Franchisee has not relied on any representation by Franchisor, or any of Franchisor's officers, directors, partners, shareholders, employees or agents concerning the Business which are contrary to the terms of this Agreement, the documents incorporated into this Agreement or attached to it. Notwithstanding the foregoing, nothing in this Agreement will disclaim or require you to waive reliance on any representation that we made in the most recent disclosure document (including its exhibits and amendments) that we delivered to you or your representative.

26.2 The terms of this Agreement are binding on the parties, and on their heirs, executors, administrators, successors and assigns.

26.3 Except as otherwise stated in this Agreement, this Agreement may not be modified except in a written agreement of at least equal formality signed by the parties.

27. INTERPRETATION

27.1 The caption headings of this Agreement are for convenience only and should in no way affect the manner in which any term of this Agreement is interpreted.

27.2 Whenever the context requires, the singular includes the plural, the plural includes the singular, the whole includes any part, and any gender includes all other genders.

27.3 The following words have the following meanings in this Agreement and any related agreements: "including" means "including but not limited to"; "will" means "shall"; and "repeatedly" means "at least 3 times".

27.4 Whenever this Agreement gives Franchisor the right to perform an act in the future, that act may be performed "from time to time", when Franchisor choose, in Franchisor's sole discretion, unless stated otherwise in this Agreement.

27.5 If 2 or more parties sign this Agreement for Franchisee or as Franchisee's guarantors, their liability is joint and several.

27.6 This Agreement is governed by the Federal Arbitration Act (9 U.S.C. §1 et seq.) and the laws of Virginia; but if any term of this Agreement not governed by the Federal Arbitration Act is not enforceable under the laws of Virginia, that term is governed by the laws of the state in which the Business is located.

28. SEVERABILITY

28.1 Franchisor and Franchisee agree that if any provisions of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other which would render it valid and enforceable, such provision shall have the meaning which renders it valid and enforceable. The language of all provisions of this Agreement shall be construed according to fair meaning and not strictly construed against Franchisor or Franchisee. The provisions of this Agreement are severable, and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and partially valid and enforceable provisions shall be enforced to the extent that they are valid and enforceable. If any material provision of this Agreement shall be stricken or declared invalid, the parties agree to negotiate mutually acceptable substitute provisions. In the event that the parties are unable to agree upon such provisions, Franchisor reserve the right to terminate the term of this Agreement.

28.2 In addition to, and without limiting the provisions of the foregoing, if any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or non-renewal of the term of this Agreement than is required hereunder, or the taking of some other action not required hereunder, or if under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by Franchisor is invalid or unenforceable, the prior notice and/or other action required by such law or rule shall be substituted for the comparable provisions hereof. Franchisor shall have the right, in Franchisor's sole discretion, to modify such invalid or unenforceable provision, specification, standard or operating procedure to the extent required to be valid and enforceable. Franchisee agrees to be bound by and promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, so though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof, or any specification, standard or operating procedure prescribed by Franchisor, any portion or portions which a court may hold to be unenforceable in a final decision to which Franchisor are a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

29. WAIVER AND ESTOPPEL; FORCE MAJEURE

29.1 Franchisor's failure to exercise any right reserved to Franchisor under this Agreement, or to insist on compliance by Franchisee with any term of this Agreement, and no custom or practice of the parties at variance with any term of this Agreement, will constitute a waiver of Franchisor's right to demand compliance with any term of this Agreement. Franchisor's waiver of any default will not affect or impair Franchisor's rights as to any subsequent default of the same or a different nature; nor will any delay, forbearance or omission by Franchisor to exercise any right as to any default of any term of this Agreement affect, impair or be Franchisor's waiver of any right as to any subsequent default. Franchisor's rights and remedies under this Agreement are cumulative, and Franchisor's exercise or enforcement of any right or remedy under this Agreement will not preclude Franchisor from exercising or enforcing any other right or remedy to which Franchisor are entitled.

29.2 Complete and detailed uniformity among Franchisor's franchisees under varying conditions may be inadvisable, impractical or impossible, and accordingly the parties agree that Franchisor, in Franchisor's sole discretion, may modify or vary aspects of the System as to any franchisee or group of franchisees based on, for example, local sales potential, demographics, competition, business practices or other conditions. Franchisor will have no obligation to disclose or offer the same or similar variances to Franchisee. Franchisee is aware that other COCKY ROOSTER franchisees may operate under different agreements and, consequently, that Franchisor's obligations and rights as to those Franchisees may differ materially in certain circumstances.

29.3 The parties to this Agreement will not be considered to be in default of any obligations hereunder, other than the obligation of a party to make payment of amounts due to the other party, if the failure of performance is due to a Force Majeure, including drought, flood, earthquake, storm, fire, lightening, epidemic, war, riot, civil disturbance, sabotage, strike or labor difficulty, or casualty to equipment. If any party is affected by a Force Majeure event, such party will give 14 days' notice to the other party stating the nature of the event, its anticipated duration and any action being taken to avoid or minimize its effect. The suspension of performance will be of no greater scope and no longer duration than is required, and the non-performing party will use its best efforts to remedy its inability to perform. The obligation to pay any amount in a timely manner is absolute and will not be subject to these Force Majeure provisions (Section 31.2), except to the extent prohibited by governmental rule or regulation.

<u>30. ARBITRATION; ENFORCEMENT</u>

30.1 Except as otherwise stated in this Agreement, the parties agree that any dispute between them, or any claim by one or more of them, concerning this Agreement, any related agreement, the Franchise or the Business that cannot be settled through negotiation or voluntary mediation, will be resolved solely and exclusively by binding arbitration, unless agreed otherwise by the parties.

30.2 Arbitration will be supervised by the American Arbitration Association ("AAA") and conducted under the then-prevailing commercial arbitration rules of the AAA, before 1 arbitrator. Any arbitration hearing will take place in the county or city in which Franchisor's home office is located at the time, and will be conducted on an individual, not a class-wide, basis. No arbitration award will have any preclusionary or collateral estoppel effect in any other arbitration or adjudicatory proceeding. Judgment on an arbitration award may be entered in any court of competent jurisdiction, and will be binding, final and non-appealable.

30.3 If any dispute or claim cannot be the subject of arbitration, the parties agree that the dispute or claim will be separated from all other disputes and claims, which other disputes and claims will first be resolved by arbitration, after which any dispute or claim which cannot be the subject of arbitration will be brought before any court stated in Section **30.7**. If the parties are unable to separate out these matters, their allegations and positions on them will be brought before the arbitrator(s), who will rule separately on the matters, and that ruling will be subject to appropriate judicial review on the petition of a party.

30.4 Nothing in this Section 32 will prevent Franchisor from obtaining injunctive relief, without bond, from a court or agency of competent jurisdiction against actual or threatened conduct, loss or damage that can be remedied under equity rules.

30.5 If any arbitration, any action for any dispute or claim which cannot be the subject of arbitration, or any action for injunctive relief is started concerning this Agreement, any related agreement, the Franchise or the Business, the party which substantially prevails in that arbitration or action will be entitled to a judgment against the other party for the costs of the arbitration or action, including reasonable attorneys' fees, reasonable expenses of arbitration or litigation, and arbitration or court costs.

30.6 Franchisee waives, to the fullest extent permitted by law, any right or claim for any punitive or exemplary damages against Franchisor, and agrees that if there is a dispute with Franchisor, Franchisee will be limited to the recovery of actual damages sustained by Franchisee.

30.7 **Each party agrees that any action brought by either party relating to this Agreement, any related agreement, the Franchise or the Business will be brought in a state or federal court of general jurisdiction in Virginia. Franchisee irrevocably submits to the jurisdiction of these courts and waives any objections Franchisee may have to the venue of these courts. However, Franchisor may, at its sole option, choose to have such a dispute determined by any court with jurisdiction over Franchisee or any of its Controlling Principals. Each party hereto irrevocably waives trial by jury in any court proceeding, whether at law or equity, between the parties.**

31. NOTICES

31.1 Any notice required to be given under this Agreement will be deemed to be given when delivered: by certified, registered or other receipted mail; by receipted courier or delivery service; by electronic mail with delivery receipt, or personally. If delivery has not occurred after at least 2 of these methods have been used, any notice required to be given under this Agreement will be deemed to be given five (5) days after being posted by first-class mail, postage prepaid.

31.2 Notices to Franchisee will be directed to Franchisee's postal or electronic mail address specified in Schedule 1. Notices to Franchisor will be sent to Franchisor’s postal address as stated in this Agreement or by electronic mail to luke@cocky-rooster.com. Either party may change its postal or electronic mail address for notices by providing a notice to the other party in accordance with this Section 31.

32. ACCEPTANCES, APPROVALS AND CONSENTS

32.1 Acceptances, approvals and consents required by this Agreement will not be unreasonably withheld.

32.2 Whenever this Agreement requires Franchisor's prior acceptance, approval, or consent, Franchisee will make a timely written request to Franchisor for the acceptance, approval or consent, which must be obtained in writing.

32.3 Franchisor assumes no liability or obligation to Franchisee by providing any acceptance, approval, consent or suggestion to Franchisee, or by delaying action on or denying any request for an acceptance, approval or consent.

33. EXECUTION

33.1 If the parties have utilized electronic signatures to execute this Agreement, by executing the document on the electronic signature platform each party verifies that its representative has control over the electronic mail address listed in Schedule 1 or in Section 31.2, as applicable, and therefore that the digital execution binds the party so represented.

33.2. The person executing this agreement on behalf of a business entity party personally represents that he or she has the authority to legal bind that party to this Agreement.

33.3 Each of the undersigned agrees to the terms of this Agreement, effective when executed by both parties hereto.

FRANCHISEE:	FRANCHISOR:
[NAME]	PLAN C FRANCHISING, LLC
By: ______________________________ [NAME], [TITLE]	By: ______________________________ Luke Phillips, Chief Executive Officer
Date: ______________________	Date: ________________________

SCHEDULE 1

APPROVED LOCATION, OPENING DATE, STATEMENT OF OWNERSHIP INTERESTS, FRANCHISEE'S PRINCIPALS AND CONTROLLING PRINCIPALS

Franchisee's Contact Information ________________________

____

____

Attention: _______________

Facsimile: _______________

Email: ____________________

Approved Location:

Site Selection Area (if location pending)

Assigned Area:

Opening Date:

Operating Principals:

Controlling Principals (and their spouses) – 20% or more ownership:

Other Principals (and their spouses): Statement of Ownership Interest (by percentages or shares owned):

APPENDIX 1

LEASE PROVISIONS

1. Tenant may assign its interest in the Lease and all rights and obligations under the Lease at any time to the Franchisor of THE COCKY ROOSTER Businesses, which is Plan C Franchising, LLC (the "**Franchisor**") without Landlord's consent. Tenant may not otherwise assign the Lease or renew or extend the Lease's term without first obtaining the written consent of Franchisor. Following its assumption of the Lease for any reason, Franchisor may thereafter assign the Lease and all rights and obligations under the Lease to another franchisee approved by Landlord, which approval Landlord must not be unreasonably withhold, condition or delay. In the event of any such assignment by Franchisor, Franchisor shall have no further obligations under the Lease.

2. In the event of the expiration or termination for any reason whatsoever of the franchise agreement between Tenant and Franchisor dated __________, 20__ (the "**Franchise Agreement**") prior to the expiration or termination of the Lease, at the option of Franchisor, Tenant's rights under this Lease shall be assigned to Franchisor, such option to be exercisable by Franchisor upon giving Landlord and Tenant notice in writing within thirty (30) days following the expiration or termination of the Franchise Agreement. Tenant and Landlord acknowledge and agree that such notice from Franchisor shall, without further act or formality, operate as an effective assignment of Tenant's rights under this Lease to Franchisor and the assumption by Franchisor of the covenants and obligations required to be observed or performed by Tenant under the Lease.

3. In the event of any default by Tenant under the Lease, Landlord must give written notice to Franchisor concurrently with the giving of such notice of default to Tenant and Franchisor shall have, after the expiration of the period during which Tenant may cure such default, an additional period of fifteen (15) days to cure any such default and assume the Lease. However, if such default or a termination arises by reason of the bankruptcy or insolvency of Tenant or the appointment of a receiver or similar custodian over Tenant's assets, Franchisor may assume this Lease or sign a new lease with Landlord upon payment of any arrears of rent or other amounts payable to Landlord pursuant to this Lease to the date of the bankruptcy or of the aforesaid appointment and, in the event of any such assumption by Franchisor, Tenant shall cease to have any further rights under this Lease.

4. During the term of the Franchise Agreement, the Leased Premises may be used only for the operation of the Business, and Landlord hereby consents to Tenant's use of the Marks and signs, decor items, color schemes and related components of the System (as those terms are defined in the Franchise Agreement). In the event of expiration or termination of the Franchise Agreement for any reason, Landlord hereby authorizes Franchisor to enter the Leased Premises and to make any alterations necessary to remove the Marks and alter any décor clearly associated with the System. Landlord and Tenant hereby agree to permit entry by Franchisor to the Leased Premises to make any modification necessary to protect the System and Marks or to cure any default under the Franchise Agreement or under the lease, without being guilty of trespass or any other crime or tort. Landlord further acknowledges that such entry by Franchisor shall not constitute an assignment of the Lease nor a subletting of the Leased Premises. Landlord will not be responsible for any expenses or damages resulting from Franchisor's conduct of such aforesaid activities.

5. Landlord and Tenant may not make any material modifications to the Lease without Franchisor's prior consent, which consent Franchisor must not unreasonably withhold, condition or delay.

APPENDIX 2

COLLATERAL ASSIGNMENT OF LEASE

This COLLATERAL ASSIGNMENT OF LEASE (this "**Assignment**") is entered into this ____ day of _________, 20__ by and between _________________, a _________ ___________ ("**Franchisee**"), and Plan C Franchising, LLC, a Delaware limited liability company ("**Franchisor**").

RECITALS

WHEREAS, Franchisor and Franchisee are parties to that certain Franchise Agreement dated __________, 20__ (the "**Franchise Agreement**"), whereby Franchisor granted to Franchisee the right and license to operate a The Cocky Rooster Business (the "**Business**") using Franchisor's Marks and the System (as those terms are defined in the Franchise Agreement).

WHEREAS, Franchisee and ________________ ("**Landlord**") are parties to that certain [Lease Agreement] dated ____________, 20__, a copy of which is attached hereto and incorporated herein (the "**Lease**"), whereby Franchisee, as tenant or lessee thereunder, leases from Landlord those premises located at _____________________, which premises are more fully identified in the Lease (the "**Leased Premises**").

WHEREAS, in consideration of, and as a condition to, Franchisor granting to Franchisee the right and license to operate the Business on and from the Leased Premises in accordance with the terms of the Franchise Agreement, and as security for Franchisee's obligations under the Franchise Agreement, Franchisee agreed to make a collateral assignment of Franchisee's interest in, to and under the Lease.

WHEREAS, Franchisee is willing to assign all of its rights, title and interest in, to and under the Lease (including all deposits paid by or for the benefit of Franchisee) to Franchisor, which collateral assignment may be exercised upon the occurrence of the termination or expiration of the Franchise Agreement for any reason or upon Franchisee's uncured default under the Lease.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Franchisee and Franchisor hereby agree as follows:

1. **Collateral Assignment.** Franchisee hereby unconditionally and irrevocably assigns, transfers and conveys unto Franchisor any and all of its right, title and interest as tenant or lessee in, to and under the Lease in trust to secure to Franchisor the payment and performance of all of Franchisee's obligations under the Franchise Agreement, fully intending that Franchisor shall have all rights, powers, privileges and interests, and shall be entitled to all benefits, as the tenant or lessee under the Lease, to the same degree and extent as though the Lease had been made between the Landlord and Franchisor.

2. **Triggering Event.**

   2.1. Franchisor hereby agrees that it will not enforce or exercise, or seek to enforce or exercise, any of the rights, powers and privileges of the tenant or lessee under the Lease except (i) upon the occurrence of termination or expiration of the Franchise Agreement for any reason, or (ii) upon Franchisee's uncured default under the Lease or this Assignment (each, a "**Triggering Event**").

2.2. Unless and until a Triggering Event has occurred and Franchisor has delivered written notice to Franchisee of Franchisor's intention to enforce its rights under this Assignment ("**Election Notice**"), as between Franchisee and Franchisor, Franchisee may continue to exercise all rights, powers and privileges, and to otherwise enjoy all other benefits, as tenant or lessee under the Lease.

2.3. In the event of Franchisee's default under the Lease, Franchisor shall have the right, but not the obligation, until such default is cured, to cure such default, and take any action, including taking possession of the Leased Premises, to preserve Franchisee's rights under the Lease and Franchisor's rights under this Assignment and the Franchise Agreement. Under the terms of the Lease, Franchisee and Landlord have granted to Franchisor the right of access to the Leased Premises for this purpose if such action is deemed necessary by Franchisor.

2.4. Upon delivery of an Election Notice to Franchisee, and dispatch of a copy of said notice to the Landlord, it shall be conclusively presumed by the parties hereto and the Landlord that Franchisee is no longer entitled to the use or occupancy of the Leased Premises and that all of Franchisee's rights, title and interest in and to the Lease have in all respects terminated and are by the terms of this Assignment assigned to Franchisor and assumed by Franchisor. Immediately following delivery of such Election Notice, Franchisee must vacate the Leased Premises. The Landlord shall have no obligation to inquire any further into the matter, and Franchisee hereby expressly authorizes and requests the Landlord to act in accordance with the terms of this Assignment. Franchisee and Franchisor hereby agree that under no circumstance will either party assert any claim or cause of action against the Landlord for Landlord's reliance on, or compliance with, the terms of this Assignment.

2.5. In the event of Franchisee's failure or refusal to vacate the Leased Premises immediately following a Triggering Event and delivery of an Election Notice, Franchisor is hereby specifically authorized to use any lawful methods to enter upon and remove Franchisee and Franchisee's personal property from the Leased Premises by summary proceedings or otherwise, without liability to Franchisee or Landlord. Franchisee shall be responsible for the payment of reasonable attorneys' fees and court costs incurred by Franchisor in connection with the prosecution of any action against Franchisee under this Agreement. The parties specifically agree that the remedies granted herein to Franchisor are in addition to and not in substitution of any or all other remedies available at law or equity.

3. **Lease Obligations.** The parties hereby acknowledge and agree that this Assignment is executed only as collateral security for Franchisee's obligations under the Franchise Agreement, and the execution and delivery hereof shall not subject Franchisor to any liability under the Lease, or in any way affect or modify the liability of Franchisee under the Lease. Franchisee hereby agrees that (i) all obligations and liabilities of Franchisee under the Lease shall be and remain enforceable against Franchisee, (ii) Franchisor shall not be obligated to perform or discharge any obligation, duty or liability as tenant or lessee under the Lease by reason of this Assignment, and (iii) this Assignment and Franchisor's performance hereunder or under the Lease shall not release Franchisee from any liability or obligation under the Lease. If Franchisor exercises any rights, powers or privileges under the Lease pursuant to this Assignment, Franchisee shall continue to be fully liable and responsible for all undischarged obligations or liabilities of Franchisee under the Lease.

4. **Representations and Warranties of Franchisee.** Franchisee hereby represents and warrants to Franchisor that:

4.1. as of the date hereof, neither Franchisee nor (to the knowledge of Franchisee) Landlord is in default of any provision of the Lease; and

4.2. Franchisee has not executed any prior assignment of the Lease nor has it performed any acts or executed any other instrument which might prevent or limit Franchisor from exercising its rights under any of the provisions of the Lease or this Assignment.

5. **Covenants of Franchisee.** Franchisee hereby covenants and agrees as follows:

5.1. Franchisee must deliver prompt written notice to Franchisor of any default by Franchisee or Landlord under the Lease; and

5.2. Franchisee may not do, or suffer to be done, any of the following acts without obtaining the prior written consent of Franchisor: (i) cancel the Lease; (ii) surrender the Lease; (iii) assign the Lease or any interest therein; (iv) execute or grant any amendment or modification of the Lease, (v) assign any deposit paid by or for the benefit of Franchisee under the Lease; or (vi) fail to perform any obligation of Franchisee in accordance with the provisions of the Lease. Any of said acts, if done or suffered to be done without Franchisor's prior written consent, shall constitute a default hereunder.

6. **Notices.** Any notice or other communication required or permitted hereunder must be in writing and shall be given in accordance with the applicable provisions of the Franchise Agreement.

7. **Dispute Resolution.** Any and all disputes arising under or in connection with this Assignment shall be resolved in accordance with the arbitration and other dispute resolution provisions of the Franchise Agreement.

8. **Remedies.** All rights and remedies of Franchisor hereunder shall be cumulative and not alternative, and shall be in addition to and not exclusive of any other rights or remedies that may be available to Franchisor under this Assignment or the Franchise Agreement, at law or in equity.

9. **Indemnification.** Franchisee shall, at all times, indemnify and hold harmless Franchisor from and against any and all claims, liabilities, losses, damages, costs and expenses (including attorneys' fees and court costs) arising out of or relating to (i) the violation or breach by Franchisee of any representation, warranty, covenant, agreement or obligation under this Assignment or the Lease, (ii) the period prior to Franchisor taking possession of the Leased Premises pursuant hereto, or (iii) Franchisee's use and occupancy of the Leased Premises.

10. **Miscellaneous.**

10.1. Entire Agreement. This Assignment (together with the Franchise Agreement) constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes any and all prior and contemporaneous agreements, understandings, negotiations, and discussions of the parties, whether oral or written.

10.2. Amendment; Waiver. No amendment, modification or waiver of this Assignment shall be binding unless executed in writing by both parties hereto, or in the case of a waiver, by the party granting such waiver. No waiver of any provision of this Assignment shall constitute a waiver of any other provision of this Assignment, whether or not similar, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in writing. No failure of Franchisor to exercise any right under this Assignment, or to insist upon Franchisee's strict compliance with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of Franchisor's right thereafter to demand exact compliance with any of the terms herein.

10.3. Severability. If any provision or part of any provision of this Assignment shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions or the remaining part of any effective provisions of this Assignment, and this Assignment shall be construed as if such invalid, illegal or unenforceable provision or part thereof had never been contained herein, but only to the extent of its invalidity, illegality or unenforceability, and such invalid, illegal or unenforceable provision or part thereof shall be modified to the extent necessary to make such provisions, or part thereof, valid, legal and enforceable.

10.4. Waiver of Jury Trial. **THE PARTIES KNOWINGLY AND VOLUNTARILY WAIVE ANY AND ALL RIGHTS TO A JURY TRIAL IN ANY PROCEEDING INVOLVING ANY DISPUTE OR MATTER ARISING UNDER THIS ASSIGNMENT.**

10.5. Counterparts. This Assignment may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same agreement. This Assignment may be executed and delivered by electronic signature or by electronic transmission with the same force and effect as if it were executed and delivered by the parties in the presence of one another.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed as of the date first above written.

ATTEST/WITNESS:

____

Name:

FRANCHISEE:

By: ____________________**(SEAL)**
Name:
Title:

FRANCHISOR:

Plan C Franchising, LLC

____

Name:

By: ____________________**(SEAL)**
Name:
Title:

ACKNOWLEDGED:

LANDLORD

By: ________________________**(SEAL)**
Name:
Title:

ACKNOWLEDGEMENT

STATE OF ________________ §
§
COUNTY OF ______________ §

BEFORE ME, the undersigned, on this day personally appeared ______________, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he is the __________ of _______________ (the "**Franchisee**"), that he is fully authorized to execute the foregoing instrument on behalf of such entity, and that he executed the same as his free act and deed in the capacity and for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the ____ day of ______, 20__.

____
Notary Public, State of ___________________

My commission expires:

____

____
Notary's printed name

APPENDIX 3

CONFIDENTIALITY AGREEMENT AND
ANCILLARY COVENANTS NOT TO COMPETE

This **CONFIDENTIALITY AGREEMENT AND ANCILLARY COVENANTS NOT TO COMPETE** (the "**Agreement**") by and among _____________, a person who resides at _________________________________ ("**Individual**"); _______________, a __________ _________ with a principal place of business at ______________________________ ("**Franchisee**"); and Plan C Franchising, LLC, a Delaware limited liability company with a principal place of business at 2523 W. Main Street, Richmond, Virginia 23220 ("**Franchisor**").

RECITALS

WHEREAS, Franchisor has acquired and owns a unique and distinctive concept and system ("**System**") relating to the establishment and operation of a take-out restaurants that sell bone-in, boneless, smoked, vegan and vegetarian chicken wings, chicken tenders and chicken sandwiches, with house made sauces and rubs, along with beverages and related products under Franchisor's proprietary recipes and specified ingredients and operating procedures (each, a "**Business**").

WHEREAS, the distinguishing characteristics of the System, include, without limitation, (i) distinctive exterior and interior design, decor, color scheme, and furnishings; (ii) proprietary products and ingredients; (iii) proprietary recipes and menu items, uniform standards, specifications, and procedures for operations; (iv) quality and uniformity of products and services offered; (v) procedures for management and financial control; (vi) training and assistance; and (vii) advertising and promotional programs; all of which may be changed, improved and further developed by Franchisor from time to time.

WHEREAS, Franchisor identifies the System by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, the mark "The Cocky Rooster" and such other trade names, service marks and trademarks as are now designated (and may hereafter be designated by Franchisor) for use in connection with the System (the "**Marks**").

WHEREAS, Franchisor deems all information relating to the System and/or concerning the methods of operation of a Business under the System, including, without limitation, the contents of Franchisor's manual(s), all information, knowledge, know-how, techniques, methods and materials used in or related to the System, all operational, sales and marketing methods and techniques, and any and all other information that Franchisor provides to its franchisees in connection with its franchise agreements to be confidential and proprietary (the "**Confidential Information**").

WHEREAS, the Marks and the Confidential Information provide economic advantages to Franchisor and the Confidential Information is not generally known to, and is not readily ascertainable by proper means by Franchisor's competitors or the general public who could obtain economic value from knowledge and use of the Confidential Information.

WHEREAS, Franchisor has taken and intends to take all reasonable steps to maintain the confidentiality and secrecy of the Confidential Information.

WHEREAS, pursuant to the terms of that certain Franchise Agreement dated _________, 20__ by and between Franchisor and Franchisee (the "**Franchise Agreement**"), Franchisor has granted Franchisee the limited right to operate a Business ("**Franchisee's Business**") using the System, the Marks and the Confidential Information for the period identified in the Franchise Agreement.

WHEREAS, Franchisor and Franchisee acknowledge the importance and necessity of restricting access to and the use and dissemination of the Confidential Information in order to protect the business interests of Franchisor, Franchisee and other franchisees and area developers under the System.

WHEREAS, it is necessary for certain owners, managers and employees of Franchisee to be granted access to some or all of the Confidential Information in connection with the management and operation of Franchisee's Business.

WHEREAS, for purposes of protecting the Confidential Information and the System against unfair competition, Franchisee has agreed to obtain, and the Franchise Agreement requires Franchisee to obtain, from such owners, managers and employees of Franchisee who are granted access to some or all of the Confidential Information, written agreements prohibiting, among other things, the unauthorized use and/or disclosure of any Confidential Information.

WHEREAS, Individual is and desires to remain, or desires to become, related to, associated with or employed by Franchisee, and in connection with such association or employment, desires and requires access to the Confidential Information in order to effectively fulfill his/her/its obligations and duties to Franchisee.

WHEREAS, Individual acknowledges that receipt of and the right to use the Confidential Information constitutes independent valuable consideration for the representations, promises and covenants made by Individual herein.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Recitals.** The Recitals are a substantive part of this Agreement and are hereby incorporated herein by reference.

2. **Confidentiality.** In consideration for disclosure of Confidential Information to Individual, and in order to protect the goodwill and unique qualities of the System and the confidentiality and value of the Confidential Information, including Franchisor's trade secrets (as that term is defined under the Virginia Uniform Trade Secrets Act, codified at Section 59.1-336 of the Virginia Code), Individual hereby acknowledges and/or covenants and agrees as follows:

   2.1. all manuals are made available by Franchisor to Franchisee for limited purposes only and remain the property of Franchisor and may not be reproduced or shared, in whole or in part, without Franchisor's written consent.

   2.2. Individual will receive any and all Confidential Information in confidence, and will use the same only in the course of his/her/its employment or association or relationship with Franchisee, and then only in connection with the development, management and/or operation of Franchisee's Business for so long as Franchisee is licensed by Franchisor to use the System.

   2.3. Except as otherwise expressly provided under this Agreement, Individual will not, during the term of his/its employment or association with Franchisee, or at any time thereafter, communicate or divulge to, or use for the benefit of, any other person or entity other than Franchisee or its principals any Confidential Information.

   2.4. Individual will communicate or disclose Confidential Information only to those employees or principals of Franchisee who must have access to such information in order to fulfill his/its duties and obligations to Franchisee in connection with the development, management and/or operation of Franchisee's Business under the System, and then, only to the limited extent necessary to permit such employee or principal to fulfill such duties and obligations.

2.5. Individual will not, at any time, without Franchisor's prior written consent, copy, duplicate, record or otherwise reproduce any Confidential Information, in whole or in part, nor otherwise disclose or make the same available to any person, except as expressly provided and permitted under this Agreement.

2.6. Individual will surrender to Franchisee or Franchisor, or delete and/or destroy any and all materials (including all copies thereof) containing any Confidential Information, upon request, or upon termination of the Individual's employment or association with Franchisee, or upon conclusion of the use for which such information or material may have been furnished to Individual.

2.7. Individual will not at any time, directly or indirectly, do any act or omit to do any act that will, or is reasonably likely to, be injurious or prejudicial to the goodwill associated with the Confidential Information and the System.

2.8. Provided, however, that as required by the U.S. Defend Trade Secrets Act, 18 U.S.C § 1833(b)(1), Individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

3. **Non-Competition.** In consideration for (i) Individual's employment or association, or continued employment or association, with Franchisee, and (ii) disclosure of Confidential Information to Individual, and in order to protect the goodwill and unique qualities of the System and the confidentiality and value of the Confidential Information, including Franchisor's and Franchisee's trade secrets, Individual acknowledges and/or covenants and agrees as follows:

3.1. Individual will not, at any time during the term of its relationship, employment or association with Franchisee, either directly or indirectly, for itself or through, on behalf of or in conjunction with any person or entity:

3.1.1 divert or attempt to divert any business, business opportunity, or customer of Franchisee's Business (or any other Business) to any business or activity that is of a character and concept similar to the Businesses, including, without limitation, a food service establishment that generates thirty percent (30%) or more of its revenues, in the aggregate, from the sale of bone-in or boneless chicken wings, chicken tenders, or vegan or vegetarian substitutes (a "**Competitive Business**"), or do or perform any other act that is injurious or prejudicial to, or reasonably likely to be injurious or prejudicial to, the goodwill associated with the System or the Confidential Information.

3.1.2 whether as a director, officer, shareholder, member, partner, manager, employee, consultant, contractor, agent, representative or otherwise, participate in, advise, assist or make loans to, any Competitive Business located within the United States, its territories or commonwealths, or elsewhere worldwide where Franchisor conducts its business or otherwise has the right to grant licenses and franchises to use the System and the Marks.

3.2. Individual will not, for a period of twenty-four (24) months following the earlier of (i) termination of the Franchise Agreement, or (ii) termination of Individual's relationship with Franchisee by which Individual obtained access to any Confidential Information, either directly or indirectly, for itself or through, on behalf of or in conjunction with any person or entity:

3.2.1 divert or attempt to divert any business, business opportunity, or customer of Franchisee's (or any other Business) to any Competitive Business or other third party, or do or perform any other act that is injurious or prejudicial to, or reasonably likely to be injurious or prejudicial to, the goodwill associated with the System or the Confidential Information.

3.2.2 whether as a director, officer, shareholder, member, partner, manager, employee, consultant, contractor, agent, representative or otherwise, participate in, advise, assist or make loans to, any business or activity which is a Competitive Business and is or is intended to be located at or within a ten (10) mile radius around Franchisee's Business's location, or within a ten (10) mile radius around any Business in existence or under construction as of the effective date of this Agreement or as of the termination date, as permitted by applicable law.

3.3. Sections 3.1 and 3.2 will not apply to ownership of less than a two percent (2%) beneficial interest in the outstanding equity securities of any publicly-held corporation.

4. **Acknowledgment.** Individual acknowledges and agrees that each of the restrictive covenants contained in Section 2 and Section 3 of this Agreement are reasonable as to time, geographical area, and scope of activity and does not impose a greater restraint than is necessary to protect the goodwill of the System and the business interests of Franchisor and Franchisee. The parties agree that each of these covenants will be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant set forth in Section 2 or Section 3 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor and/or Franchisee is a party, the parties hereto expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of Section 2, or Section 3, as the case may be.

5. **Remedies.** Individual hereby acknowledges and agrees that if he/she/it breaches any of the covenants set forth in Section 2 or Section 3 of this Agreement, Franchisor and/or Franchisee may suffer immediate and irreparable harm for which monetary damages alone will not be a sufficient remedy. Accordingly, Individual hereby agree that, in addition to all other remedies Franchisor and/or Franchisee may have under this Agreement, at law or in equity, Franchisor and/or Franchisee will be entitled to seek injunctive relief, specific performance or any other form of equitable relief to remedy any such breach or threatened breach. Individual agrees to pay all expenses, court costs and reasonable attorneys' fees incurred by Franchisor and/or Franchisee in connection with the enforcement of any provision of Section 2 and/or Section 3, including obtaining injunctive relief or specific performance.

6. **Indemnification. INDIVIDUAL WILL, AT ALL TIMES, INDEMNIFY AND HOLD HARMLESS TO THE FULLEST EXTENT PERMITTED BY LAW FRANCHISOR AND/OR FRANCHISEE FROM AND AGAINST ANY AND ALL LOSSES, DAMAGES (INCLUDING, CONSEQUENTIAL, COMPENSATORY AND EXEMPLARY DAMAGES), FINES, CHARGES, COSTS, EXPENSES, LEGAL FEES, COURT COSTS, SETTLEMENT AMOUNTS AND JUDGMENTS ARISING OUT OF OR RESULTING FROM INDIVIDUAL'S BREACH OF ANY OF HIS/HER/ITS COVENANTS, AGREEMENTS OR OBLIGATIONS UNDER THIS AGREEMENT.**

7. Miscellaneous.

7.1. Notices. Any and all notices, requests, demands and other communications required or permitted to be given under this Agreement will be in writing and will be deemed to have been duly given if hand-delivered, delivered by delivery service that provides evidence of delivery, or mailed by certified or registered mail, postage pre-paid, to the respective party at its address as listed on the first page, or to such other address as a party will designate in writing to the other parties. A notice will be effective when delivered, if delivered personally or by delivery service, or three (3) business days after being mailed.

7.2. Entire Agreement. This Agreement (together with the Franchise Agreement) constitutes the entire agreement among the parties with respect to the subject matter hereof, and supersedes any and all prior and contemporaneous agreements, understandings, negotiations, and discussions of the parties, whether oral or written.

7.3. Amendment; Waiver. No amendment, modification or waiver of this Agreement will be binding unless consented to in writing by all parties, or in the case of a waiver, by the party granting such waiver. No waiver of any provision of this Agreement will constitute a waiver of any other provision of this Agreement, whether or not similar, nor will such waiver constitute a continuing waiver unless otherwise expressly provided in writing. Any failure by Franchisor or Franchisee to object to or take action with respect to any breach of any provision of this Agreement by Individual will not operate or be construed as a waiver of or consent to that breach or any subsequent breach.

7.4. Severability. If any provision or part of any provision of this Agreement is for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect any other provisions or the remaining part of any effective provisions of this Agreement, and this Agreement will be construed as if such invalid, illegal or unenforceable provision or part thereof had never been contained herein, but only to the extent of its invalidity, illegality or unenforceability, and such invalid, illegal or unenforceable provision or part thereof will be modified to the extent necessary to make such provisions, or part thereof, valid, legal and enforceable.

7.5. Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the state where Franchisee's Business is located, without regard to principles of conflicts of laws.

7.6. Waiver of Jury Trial. **THE PARTIES HERETO KNOWINGLY AND VOLUNTARILY WAIVE ANY AND ALL RIGHTS TO A JURY TRIAL IN ANY PROCEEDING INVOLVING ANY DISPUTE OR MATTER ARISING UNDER THIS AGREEMENT.**

7.7. Assignment. The rights and remedies of Franchisor under this Agreement are fully assignable and transferable and will inure to the benefit of its affiliates, successors and assigns. The respective rights and obligations of Franchisee and Individual hereunder may not be assigned by Franchisee or Individual, without the prior written consent of Franchisor.

7.8. Role of Franchisor. Franchisor has permitted Franchisee to provide Individual with access to the Confidential Information so that Individual can perform his or her duties in the operation of the Business. **INDIVIDUAL EXPRESSLY ACKNOWLEDGES AND AGREES THAT INDIVIDUAL WORKS SOLELY FOR FRANCHISEE; FRANCHISOR IS NOT INDIVIDUAL'S DIRECT OR INDIRECT EMPLOYER, OR "JOINT EMPLOYER;" INDIVIDUAL**

HAS NO BUSINESS OR EMPLOYMENT RELATIONSHIP WITH FRANCHISOR; AND FRANCHISOR IS EXECUTING THIS AGREEMENT SOLELY TO PROTECT ITS PROPRIETARY INTEREST IN THE CONFIDENTIAL INFORMATION.**

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement, which is effective as of the date it is executed by each party listed below.

ATTEST/WITNESS:	**INDIVIDUAL**
________________________	________________________
Name:	Name: ________________________
	Date: __________________________
	FRANCHISEE
________________________	By: ________________________ Name: Title:
Name: ____________________	Date: __________________________
	FRANCHISOR
	Plan C Franchising, LLC
________________________	By: ________________________ Name: Title:
Name:_____________________:	Date: __________________________

APPENDIX 4

PERSONAL GUARANTY

THIS PERSONAL GUARANTY (this "**Guaranty**") is executed by ________________, who resides at ____ (the "**Guarantor**"), in favor of Plan C Franchising, LLC, a Delaware limited liability company ("**Franchisor**").

RECITALS

WHEREAS, Franchisor and __________________ ("**Franchisee**") are parties to that certain Franchise Agreement dated ________, 20__, which is incorporated herein (the "**Agreement**" or the "**Franchise Agreement**"), whereby Franchisor granted to Franchisee the right and license to operate a THE COCKY ROOSTER Business under the Marks and the System (as those terms are defined in the Franchise Agreement).

WHEREAS, the Guarantor stands to benefit from Franchisee's operation of the Business in accordance with the terms of the Agreement.

WHEREAS, as an inducement to Franchisor to enter into the Agreement, Guarantor, who is a Controlling Principal (as that term is defined in the Agreement), agreed to guarantee all of Franchisee's payment and performance obligations under the Agreement.

NOW, THEREFORE, in consideration of Franchisor entering into the Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Guarantor hereby provides the following guaranty to Franchisor, its successors and assigns.

1. **Recitals.** The foregoing recitals are hereby made part of this Guaranty.

2. **Guaranty and Assumption of Obligations.** Guarantor unconditionally and irrevocably agrees to be personally bound by each and every provision in the Agreement as if Guarantor were substituted as the Franchisee therein, and to be personally liable for all breaches and defaults under the Agreement not timely satisfied by Franchisee, except that Guarantor shall not be personally obligated to manage the Business unless Guarantor is identified as the Operating Principal in the Agreement. Guarantor's assumption of the obligations of the Franchisee includes, but is not limited to, compliance with the Arbitration and dispute resolution provisions therein, restrictions on assignment of ownership interests in the Franchisee, and compliance with the covenants not to compete, confidentiality and non-disclosure; however, as required by the U.S. Defend Trade Secrets Act, 18 U.S.C § 1833(b)(1), Guarantor shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Guarantor hereby acknowledges and/or agrees as follows:

   2.1. The obligations of Guarantor hereunder shall be direct, immediate and primary, and this Guaranty is one of payment and performance (and not merely collection). The liability of Guarantor hereunder is absolute, unconditional and not subject to any recoupment, setoff, reduction or defense, without regard to the liability of any other person. Franchisor may pursue its rights against the Guarantor without first exhausting its remedies against Franchisee and without joining any other guarantor, and the Guarantor hereby specifically waives any obligation of Franchisor to proceed against Franchisee or any other individual or entity.

2.2. This Guaranty shall continue to be effective, or be reinstated, as the case may be, if at any time payment of any of the Obligations is rescinded or must otherwise be restored or returned by Franchisor upon the insolvency, bankruptcy or reorganization of Franchisee or the Guarantor, all as though such payment had not been made.

2.3. If more than one individual or entity has executed this Guaranty as a Guarantor hereunder, the liability of each such guarantor shall be joint, several and primary.

2.4. Without affecting the obligations of Guarantor, Franchisor may, without notice to the Guarantor, waive, renew, extend, modify, amend or release any indebtedness or obligation of Franchisee or settle, adjust or compromise any claims that Franchisor may have against Franchisee.

2.5. No failure or delay on the part of Franchisor to insist upon the strict performance of any term, condition, covenant, or agreement of this Guaranty or of the Franchise Agreement, or to exercise any right, power, or remedy upon a breach hereof or thereof, shall constitute a waiver of any such term, condition, covenant, or agreement or of any such breach, or preclude Franchisor from exercising any such right, power or remedy at a later time or times. By accepting payment after the due date of any amount payable under this Guaranty or the terms of the Franchise Agreement, Franchisor shall not be deemed to waive the right either to require prompt payment when due of any amount payable hereunder or under the Franchise Agreement, or to declare an event of default for the failure to affect such prompt payment of any such amount.

2.6. All rights and remedies of Franchisor under this Guaranty shall be cumulative and concurrent and shall be in addition to and not exclusive of any other rights or remedies available to Franchisor under this Guaranty, the Franchise Agreement or otherwise existing at law or in equity.

2.7. No course of dealing between Franchisor and Guarantor shall be effective to amend, modify or change any provision of this Guaranty and Franchisor shall have the right at all times to enforce such provisions in strict accordance with the terms hereof, notwithstanding any conduct or custom on the part of Franchisor in refraining from so doing at any time or times.

2.8. No waiver under this Guaranty shall be deemed to be made by Franchisor unless in writing and signed, and any waiver shall apply only with respect to the specific instance involved.

2.9. The obligations of Guarantor under this Guaranty shall not be reduced, limited, terminated, discharged, impaired or otherwise affected by (i) any assignment of the Franchise Agreement unless Franchisee is released in connection therewith from its obligations under the Franchise Agreement pursuant to the terms thereof, (ii) the voluntary or involuntary liquidation, sale or other disposition of all or any portion of Franchisee's assets, or the receivership, insolvency, bankruptcy, reorganization or similar proceedings affecting Franchisee or its assets or the release or discharge of Franchisee from any of its obligations under the Franchise Agreement, or (iii) any change of circumstances, whether or not foreseeable, and whether or not any such change does or might vary the risk of the Guarantor hereunder.

2.10. The execution and delivery of this Guaranty by the Guarantor, as a Controlling Principal, are made and given in partial consideration of, and as a condition to, Franchisor entering into the Franchise Agreement, and that Franchisor would not have entered into the Franchise Agreement without the execution and delivery of this Guaranty.

3. **Death of Guarantor.** Upon receipt by Franchisor of notice of the death of the Guarantor, the Guarantor's estate will be bound by the terms of this Guaranty, but only for defaults and obligations under the Franchise Agreement existing at the time of death, and in such event, the obligations of all other guarantors shall continue in full force and effect.

4. **Waivers by Guarantor.** Guarantor waives: (a) acceptance and notice of acceptance by Franchisor of these undertakings; (b) notice of demand for payment for any indebtedness or nonperformance of any obligation guaranteed; (c) protest and notice of default to any party as to any indebtedness or nonperformance of any obligation guaranteed; (d) any right they may have to require that an action be brought against Franchisee or any other person as a condition of liability; (e) any other notices and legal or equitable defenses to which he or she may be entitled; and (f) any modification, waiver or changes to the Franchise Agreement to which this guaranty is attached, or to any related agreements.

5. **Remedies Upon Triggering Event.** Upon the occurrence of any event constituting an event of default under the Franchise Agreement by Franchisee, and following the expiration of any applicable cure period, Guarantor shall immediately perform each obligation of Franchisee and pay to Franchisor all amounts due and payable to Franchisor under the Franchise Agreement and all costs and expenses, including reasonable attorneys' fees and court costs, incurred by Franchisor, its affiliates or any of their respective successors or assigns in attempting to (a) remedy any defaults hereunder, (b) collect any amounts due hereunder, or (c) otherwise enforce and rights and obligations hereunder.

6. **Duration.** Subject to Section 7 hereof, this Guaranty shall be continuing, absolute and unconditional, and shall be binding upon Guarantor until the later of (i) termination of the Franchise Agreement; and (ii) payment in full of all amounts payable to Franchisor under the Franchise Agreement.

7. **Termination.** This Guaranty may be terminated only by a written unconditional release executed and delivered by Franchisor to Guarantor.

8. **Representations and Warranties.** Guarantor hereby represents and warrants to Franchisor that:

8.1. Guarantor has reviewed the Franchise Agreement.

8.2. This Guaranty constitutes the valid and legally binding obligation of Guarantor (joint and several with each other guarantor, if more than one), and is fully enforceable against Guarantor.

8.3. There are no actions or proceedings pending or, to Guarantor's knowledge, threatened before any court or administrative agency which would adversely affect the financial condition of Guarantor or the authority of Guarantor to enter into, or the validity or enforceability of, this Guaranty.

8.4. There is no provision of any agreement, contract, or law, binding on Guarantor or affecting any of his property, which would conflict with or in any way prevent the execution, delivery and performance of the terms of this Guaranty, or which would be breached or violated as a result of the execution, delivery or performance of this Guaranty.

8.5. The Guarantor has a direct and financial interest in the Franchisee, and the acceptance by the Guarantor of the obligations hereunder will result in direct financial benefits to Guarantor.

8.6. There is no matter or fact that Guarantor has not disclosed in writing to Franchisor that materially affects, or could be reasonably likely to materially affect, the property or financial condition of Guarantor or the ability of Guarantor to perform his obligations hereunder.

9. **Miscellaneous.**

9.1. Notices. Any and all notices, requests, demands and other communications required or permitted to be given to the Guarantor shall be in writing and shall be deemed to have been duly given if hand-delivered, delivered by delivery service that provides evidence of delivery, or mailed by certified or registered mail, postage pre-paid, to the Guarantor at the address as identified on the first page of this Agreement, or such other address as the Guarantor designates in writing to Franchisor. A notice shall be effective when delivered personally or by delivery service, or three (3) business days after being mailed.

9.2. Entire Agreement. This Guaranty (together with the Franchise Agreement) constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes any and all prior and contemporaneous agreements, understandings, negotiations, and discussions of the parties, whether oral or written.

9.3. Amendment; Waiver. No amendment, modification or waiver of this Guaranty shall be binding unless consented to in writing by Franchisor. No waiver of any provision of this Guaranty shall constitute a waiver of any other provision of this Guaranty, whether or not similar, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in writing.

9.4. Severability. If any provision or part of any provision of this Guaranty shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions or the remaining part of any effective provisions of this Guaranty, and this Guaranty shall be construed as if such invalid, illegal or unenforceable provision or part thereof had never been contained herein, but only to the extent of its invalidity, illegality or unenforceability, and such invalid, illegal or unenforceable provision or part thereof shall be modified to the extent necessary to make such provisions, or part thereof, valid, legal and enforceable.

9.5. Applicable Law. This Guaranty shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without regard to principles of conflicts of laws.

9.6. Jurisdiction; Venue; Waiver of Jury Trial. THIS GUARANTY IS SUBJECT TO AND MAY BE ENFORCED THROUGH THE DISPUTE RESOLUTION PROVISIONS IN

THE FRANCHISE AGREEMENT, INCLUDING THE ARBITRATION CLAUSE THEREIN. Without limitation, Guarantor hereby consents to the exercise of personal jurisdiction over him or her by United States District Court for the Eastern District of Virginia, the circuit court of Richmond City, Virginia or the circuit court of Henrico County, Virginia with respect to any such proceeding. GUARANTOR KNOWINGLY AND VOLUNTARILY WAIVES ANY AND ALL RIGHTS TO A JURY TRIAL IN ANY PROCEEDING INVOLVING ANY DISPUTE OR MATTER ARISING UNDER THIS GUARANTY.

IN WITNESS WHEREOF Guarantor has executed this Guaranty as of the day and year first above written.

GUARANTOR:

________________________________(SEAL)
Name:

ACKNOWLEDGMENT

State of __________________________)
) ss
County of_________________________)

On this ____ day of _____________, 20____ before me personally came __________________, known to me to be the same person whose name is signed to the foregoing Guaranty, and acknowledged the execution thereof for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

_________________________________ (NOTARIAL SEAL)
Notary Public
My Commission expires:

APPENDIX 5

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know, **Plan C Franchising, LLC** and you are preparing to enter into a Franchise Agreement for the operation of a **The Cocky Rooster™** franchise. In this Franchisee Disclosure Questionnaire**., Plan C LLC** will be referred to as "we" or "us." The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we did not authorize and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest and complete responses to each.

1. Have you received and personally reviewed the **The Cocky Rooster™** Franchise Agreement and each schedule and addendum attached to it?

   Yes ___ No ___

2. Do you understand all of the information contained in the Franchise Agreement and each exhibit and schedule attached to it?

   Yes ___ No ___

   If "No", what parts of the Franchise Agreement do you not understand? (Attach additional pages, if necessary.)

   ____

   ____

   ____

   ____

3. Have you received and personally reviewed our Franchise Disclosure Document that we provided to you?

   Yes ___ No ___

4. Do you understand all of the information contained in the Franchise Disclosure Document?

   Yes ___ No ___

   If "No", what parts of the Franchise Disclosure Document do you not understand? (Attach additional pages, if necessary.)

   ____

   ____

   ____

   ____

   ____

5. Have you discussed the benefits and risks of operating a **The Cocky Rooster™** Franchise with an attorney, accountant or other professional advisor?

   Yes ___ No ___

6. Do you understand that the success or failure of your business will depend in large part upon your skills and abilities; competition from other businesses; general market demand for the chicken and related products offered from the Business; and other economic and business factors?

   Yes ___ No ___

7. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of a **The Cocky Rooster™** franchise that we, any of our owners, or our franchisees operate and that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

   Yes ___ No ___

8. Has any employee or other person speaking on our behalf made any statement or promise concerning a **The Cocky Rooster™** franchise that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

   Yes ___ No ___

9. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a **The Cocky Rooster™** franchise?

   Yes ___ No ___

10. Has any employee or other person speaking on our behalf made any statement, promise or agreement concerning the marketing, training, support service or assistance that we will furnish to you that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

    Yes ___ No ___

If you have answered "Yes" to any of questions 7 through 10, please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered "No" to each of such questions, please leave the following lines blank.

____

____

____

____

____

____

11. Do you understand that in all dealings with you, our officers, directors, employees and agents act only in a representative capacity and not in an individual capacity and such dealings are solely between you and us?

Yes ___ No ___

You understand that your answers are important to us and that we will rely on them.

By signing this Franchisee Disclosure Questionnaire, you are representing that you have responded truthfully to the above questions.

____
Name of Franchisee/Applicant

Date: ________________, 20___

____
Signature

____
Name and Title of Person Signing

APPENDIX 6

MULTI-UNIT DEVELOPMENT RIDER

THIS MULTI-UNIT DEVELOPMENT RIDER (this "**Rider**") to the The Cocky Rooster™ Franchise Agreement is entered into by Plan C Franchising, LLC ("**Franchisor**") and _____________________ ("**Franchisee**").

Franchisor and Franchisee have entered into a The Cocky Rooster™ Franchise Agreement (the "**Franchise Agreement**") for the establishment and operation of a The Cocky Rooster™ business in the Assigned Area set forth in Schedule A to the Franchise Agreement. Franchisee desires to obtain the option to grow its business by opening additional THE COCKY ROOSTER Businesses in one or more additional geographic areas, each of which is referred to hereafter as an "**Additional Business**". Franchisor is willing to grant Franchisee such expansion options, subject to the terms and conditions of this Rider.

In consideration of the covenants and agreements set forth below, the receipt and sufficiency of which are acknowledged, the parties, intending to be legally bound, agree as follows:

1. **DEFINITIONS AND CONSTRUCTION.** The definitions of each term that is defined in the main body of the Franchise Agreement or in any other exhibit thereto are incorporated herein by reference. Articles 18 through 33 of the Franchise Agreement are specifically incorporated herein.

2. **DEVELOPMENT.**

2.1. **Grant of Options**. Franchisor grants to Franchisee the exclusive options (the "**Options**" and, each, an "**Option**") to develop Additional Businesses in the territories described in Appendix A (collectively, the "**Development Area**"), but solely in conformance with the requirements of this Rider.

2.2. **Multi-Unit Fee**. In consideration of the option rights granted herein, upon execution of the Franchise Agreement Franchisee has paid the Multi-Unit Development Fee specified in Appendix A to Franchisor, which amount is non-refundable except as specifically provided for in the Franchise Agreement. The Multi-Unit Development Fee has been fully earned by Franchisor for administrative and other expenses incurred by Franchisor and for the development opportunities lost or deferred as a result of the rights granted Franchisee herein. However, if Franchisee enters into additional franchise agreements with Franchisor in compliance with this Rider, then Franchisor shall credit Ten Thousand Dollars ($10,000) of the Multi-Unit Development Fee toward the Initial Franchise Fee due under each such additional franchise agreement.

2.3. **Development Schedule and Term**.

2.3.1 Franchisee must exercise the Option for each Additional Business in accordance with the with the schedule set forth and agreed to in Appendix A (the "**Development Schedule**"). The term of this Rider shall expire one hundred and eighty (180) days after the deadline for exercising the final Option granted herein.

2.3.2 Franchisee may obtain one (1) extension of ninety (90) days of any applicable Development Schedule deadline if, no later than thirty (30) days before the applicable deadline, Franchisee submits a request for such an extension, which the Franchisor may grant in its sole discretion, and, if granted, Franchisee pays Franchisor an extension fee of One Thousand Dollars ($1,000). An extension fee shall not be required with regard to a delay caused by an event of Force Majeure.

2.3.3 If Franchisee fails to exercise the Options in conformity with the Development Schedule, Franchisor may, in its sole discretion, by written notice to Franchisee terminate this Rider and thereby withdraw any unexercised Options, after which the geographic areas therefor will no longer be part of the Development Area and Franchisor may include any such geographic area in the exclusive territory of other The Cocky Rooster™ franchisees.

2.4. **Right to Exercise the Option**. Franchisee may not exercise an Option unless:

2.4.1 Franchisee and each of its affiliates are not in default of any provision of the Franchise Agreement or any other agreement with Franchisor, and have substantially and timely complied with all the terms and conditions of such agreements during the terms thereof;

2.4.2 Franchisee exercises the Option, and all previous Options, in accordance with the Development Schedule, provided that after the Opening Date, Franchisor has issued an updated Appendix A identifying any applicable revised development deadlines; and

2.4.3 Franchisee otherwise complies with Section 3 below, "Method of Exercising Options."

3. **METHOD OF EXERCISING OPTIONS.** To exercise any of its Options granted herein, Franchisee must send to Franchisor (a) written notice stating the reserved area specified in Appendix A in which Franchisee has decided to open a Business and (b) the site selection information and proposed lease as required under Section 2 of the Franchise Agreement. Franchisor must review the notice and documentation provided and, within twenty (20) days of receipt of such items, notify Franchisee whether or not it will authorize Franchisee to open a Business in the reserved area. If the expansion is denied, then Franchisor shall provide a written explanation of why Franchisee has not satisfied the requirements specified in Section 2 of the Rider. If the expansion is granted, then Franchisor shall send to Franchisee a franchise agreement for the additional Business, which will be the then-current form of franchise agreement that Franchisor offers to new franchisees and may contain materially different terms from those in the Franchise Agreement; provided, however, that the Initial Franchise Fee shall be Thirty Thousand Dollars ($30,000) and the Royalty fee rate shall be four percent (4%) of Aggregate Sales. Within 30 days of delivery to Franchisee of said franchise agreement, Franchisee must sign and return it to Franchisor and also pay the balance of the Initial Franchise Fee required thereunder.

4. **EXCLUSIVE RIGHTS.**

4.1. Provided that Franchisee and its Controlling Principals are in full compliance with all provisions of this Rider, and neither Franchisee nor any of its affiliates is in default under the Franchise Agreement or any other agreement with Franchisor, neither Franchisor nor any of its affiliates shall establish (or authorize any other person or entity, other than Franchisee, to establish) a The Cocky Rooster™ Business within the Development Area during the term of the Rider.

4.2. This Rider is not a franchise agreement and does not grant Franchisee rights to operate a The Cocky Rooster™ Business or use the System, nor does this Rider give Franchisee any right to license others to operate a The Cocky Rooster™ Business or use the System.

5. **TRANSFER OF RIGHTS UNDER THIS RIDER.** Franchisee specifically acknowledges that it is only permitted to Transfer its rights under this Rider if it also is transferring its rights under the Franchise Agreement and each other franchise agreement between Franchisor and Franchisee or its affiliates, and then only to a purchaser who is an approved Transferee.

6. **TERMINATION**.

6.1. **Termination without Cure Period**. In addition to the grounds for termination stated elsewhere in this Rider, Franchisor may terminate this Rider, and the rights granted by this Rider, upon notice to Franchisee without opportunity to cure if:

6.1.1 To the extent permitted by federal bankruptcy law (11 U.S.C. Section 101, et. seq.) or other applicable law, Franchisee or its Controlling Principals files a petition in bankruptcy, an arrangement for the benefit of creditors or a petition for reorganization; there is filed against Franchisee a petition in bankruptcy, an arrangement for the benefit of creditors or petition for reorganization, which is not dismissed within sixty (60) days of the filing; Franchisee makes an assignment for the benefit of creditors; or a receiver or trustee is appointed for Franchisee and not dismissed within sixty (60) days of the appointment;

6.1.2 Any Transfer that requires Franchisor's prior written consent, occurs without Franchisee having obtained Franchisor's prior written consent;

6.1.3 Franchisee or any of its Controlling Principles is convicted of or pleads no contest to a felony or any other crime or offense that is likely to adversely affect the reputation of the System or the goodwill associated with the Marks;

6.1.4 Franchisee or any of its Affiliates remain in default beyond the applicable cure period under the Franchise Agreement or any other agreement with Franchisor; or

6.1.5 If Franchisee defaults on two (2) or more occasions within a twelve (12) month period under this Rider or the Franchise Agreement, regardless of whether Franchisee has cured the prior defaults.

6.2. **Termination Following Expiration of Cure Period**.

6.2.1 If any default capable of being cured under this Rider or the Franchise Agreement is not cured within the time provided in accordance with the Franchise Agreement, this Rider shall terminate without further notice to Franchisee effective immediately upon expiration of that time, unless Franchisor notifies Franchisee otherwise in writing.

6.2.2 Notwithstanding the provisions of preceding Section 6.2.1., if Franchisee defaults in the payment of any monies owed to Franchisor when such monies become due and payable and Franchisee fails to pay such monies within ten (10) days after receiving written notice of default, then this Rider will terminate effective immediately upon expiration of that time, unless Franchisor notifies Franchisee otherwise in writing.

7. **EFFECT OF TERMINATION**. Upon termination or expiration of this Rider:

7.1. The rights granted Franchisee in the Development Area shall terminate and Franchisor shall have the right to operate or license others to operate a The Cocky Rooster™ Business anywhere in the Development Area, subject to the provisions of the Franchise Agreement and any other franchise agreements between Franchisor and Franchisee or its affiliates;

7.2. Franchisee shall continue to abide by the restrictions contained in Article 22 of the Franchise Agreement and shall not, directly or indirectly, take any action that violates those restrictions; and

7.3. Franchisee will not, except with respect to any Franchise which is then open and operating pursuant to the Franchise Agreement or other agreement with Franchisor: (1) operate or do business under any name or in any manner that might tend to give the general public the impression that Franchisee is connected in any way with Franchisor or has any right to use the System or the Marks; (2) make use or avail itself of any of the materials or information furnished or disclosed by Franchisor under this Rider or the Franchise Agreement or disclose or reveal any such materials or information or any portion thereof to anyone else; or (3) assist anyone not licensed by Franchisor to develop or operate a business substantially similar to a The Cocky Rooster™ Store.

8. **APPROVALS AND WAIVERS**. No waiver by any party of any provision of this Rider shall be deemed a waiver of any other provision of this Rider or of any subsequent breach by any other party of the same or another provision. Any party's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of the other party's consent to or approval of any subsequent act.

9. **ENTIRE AGREEMENT/AMENDMENT.** This Rider contains the entire agreement between the parties pertaining to Franchisee's rights to develop and expand its business beyond the geographic area contemplated by Schedule 1 of the Franchise Agreement, and supersedes all prior or contemporaneous negotiations, discussions, or understandings on that subject. There are no representations, inducements, promises, agreements, arrangements or undertakings, oral or written, between the parties relating to the matters covered by this Rider except as stated herein. No agreement of any kind relating to the matters covered by this Rider will be binding upon either party unless and until it has been agreed to in writing and signed by Franchisor and Franchisee. No amendment, modification or discharge of this Rider, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by Franchisor and Franchisee. Nothing in this Rider is intended to disclaim the representations made in the Franchise Disclosure Document.

[Signatures appear on the following page.]

IN WITNESS TO THE PROVISIONS OF THIS RIDER, the undersigned have signed this Rider on the date set forth below.

ATTEST/WITNESS:

____

Name: ___________________________

FRANCHISEE:

By: ____________________________
Name:
Title:

Date: ___________________________

FRANCHISOR:

Plan C Franchising, LLC

____

Name: ___________________________

By: ____________________________
Name:
Title:

Date: ___________________________

APPENDIX A DEVELOPMENT INFORMATION

1. Total number of Additional Businesses reserved: ________________

Total Multi-Unit Development Fee Required: $_______________________________________

Territories reserved under the Rider:

(A) ____

(B) ____

(C) ____

(D) ____

(E) ____

Opening Date:____

Deadline to exercise first Option (12 months following Opening Date): ______________________

Deadline to exercise each additional Option (9 months following each preceding option deadline):

(A) ____

(B) ____

(C) ____

(D) ____

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EXHIBIT C

<u>ELECTRONIC TRANSFER AUTHORIZATION</u>

AUTHORIZATION TO HONOR CHARGES DRAWN BY AND PAYABLE TO PLAN C FRANCHISING, LLC ("COMPANY")

Depositor hereby authorizes and requests __________________________ (the "Depository") to initiate debit and credit entries to Depositor's checking or savings account (select one) indicated below drawn by and payable to the order of Plan C Franchising, LLC by Electronic Funds Transfer provided there are sufficient funds in said account to pay the amount upon presentation.

Depositor agrees that the Depository's rights with respect to each such charge shall be the same as if it were a check drawn by the Depository and signed by Depositor. Depositor further agrees that if any such charge is dishonored, whether with or without cause and whether intentionally or inadvertently, the Depository shall be under no liability whatsoever.

Depository Name:____

City:_______________________ State:______________ Zip Code:______________________________

Transit/ABA Number:_____________________________ Account Number:________________________

This authority is to remain in full force and effect until Company and Depository have received written notifications from Depositor (or either of us) of the termination of the authority in such time and in such manner to afford Company and Depository a reasonable opportunity to act on such request.

Depositor: (Please Print)

____

____

____
Date Signed

____

____
Signature(s) of Depositor, as Printed Above

Please attach a voided blank check, for purposes of setting up Bank and Transit Numbers.

EXHIBIT D
CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (the "Agreement") is made and entered into this ______ day of , 20_____, between Plan C Franchising, LLC, a Delaware limited liability company ("Franchisor"), and ___________________ ("Covenantor").

RECITALS

Franchisor has acquired or developed a unique system (the "System") for the establishment and operation of casual restaurants having distinctive interior and exterior design and trade dress with a full menu serving different variations of chicken wings, specializing in different sauces and rubs, including vegetarian and vegan wings, under the service mark "The Cocky Rooster" and additional principal service marks, trademarks, trade names, logos, emblems and indicia of origin ("Businesses").

Confidential, proprietary information and various trade secrets of Franchisor pertaining to the System and to the establishment and operation of the Businesses (collectively, "Confidential Information") is included in Franchisor's operations manuals and other written materials (the "Manuals").

The Confidential Information provides economic advantages to Franchisor and its franchisees and developers under the System and is not generally known to, nor readily ascertainable by proper means by, Franchisor's competitors and other third parties who could obtain economic benefits from knowledge and/or use of the Confidential Information.

Franchisor has taken and intends to take all reasonable steps to maintain the confidentiality and secrecy of the Confidential Information, including, without limitation, controlling access to the Manuals.

Covenantor wishes to acquire, or owns an interest in an entity which wishes to acquire, the right to operate and/or develop one or more Businesses and, accordingly, desires to conduct an investigation of the System in order to determine whether to enter into such transaction (the "Transaction") with Franchisor.

Franchisor desires to permit Covenantor to view the Manuals in connection with its investigation of the System for the limited purpose herein stated.

Franchisor and Covenantor agree on the importance of restricting access to and the use, disclosure and dissemination of, the Confidential Information.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Recitals. The Recitals above are a substantive part of this Agreement and are hereby incorporated herein by reference.

2. Confidentiality Agreement. Franchisor shall permit Covenantor to view the Manuals for the sole purpose of investigating the Transaction. In consideration of the opportunity to view the Manuals and obtain access to the Confidential Information, Covenantor hereby agrees that Covenantor shall receive and at all times maintain the Confidential Information in confidence and shall not use the Manuals or the Confidential Information for any purpose except to carry out its investigation of the Transaction. In

addition, Covenantor shall not at any time disclose or disseminate or permit the disclosure or dissemination of any of the Confidential Information to any third party, nor shall Covenantor make copies of any part of the Manuals or of the Confidential Information.

3. Ownership. Covenantor acknowledges that the Manuals and the Confidential Information are solely owned by Franchisor and that this Agreement shall not grant to Covenantor any rights in or to the Manuals or the Confidential Information except the limited right to view the Manuals and the Confidential Information to investigate the Transaction. Covenantor shall return the Manuals and all Confidential Information, including originals, copies and summaries thereof, to Franchisor immediately upon the earlier of (i) Franchisor's written request, (ii) termination of discussions between Franchisor and Covenantor in furtherance of the Transaction, and (iii) the decision of Covenantor and/or Franchisor not to pursue the Transaction.

4. Miscellaneous.

a. Covenantor agrees that in the event of a breach of this Agreement, Franchisor would be irreparably injured and be without an adequate remedy at law. Therefore, in the event of such a breach, or threatened or attempted breach, of any of the provisions hereof, Franchisor shall be entitled to enforce the provisions of this Agreement and shall be entitled, in addition to any other remedies which are available to it at law or in equity, to a temporary and/or permanent injunction and a decree for the specific performance of the terms of this Agreement, without the necessity of showing actual or threatened harm and without being required to furnish a bond or other security.

b. Covenantor agrees to pay all expenses (including court costs and attorneys' fees) incurred by Franchisor in enforcing this Agreement.

c. Any failure by Franchisor to object or take action with respect to any breach of any provision of this Agreement by Covenantor shall not operate or be construed as a waiver of or consent to that breach or any subsequent breach by Covenantor. Any waiver by Franchisor of any provision of the Agreement shall be effective only if in a writing

d. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF VIRGINIA, WITHOUT REFERENCE TO VIRGINIA'S CHOICE OF LAW PRINCIPLES. COVENANTOR HEREBY IRREVOCABLY SUBMITS HIMSELF/ITSELF TO THE JURISDICTION OF THE STATE COURTS OF VIRGINIA HAVING JURISDICTION OVER THE SUBJECT MATTER OF THE DISPUTE AND THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA. COVENANTOR HEREBY WAIVES ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. COVENANTOR HEREBY AGREES THAT SERVICE OF PROCESS MAY BE MADE UPON HIM/IT IN ANY PROCEEDING RELATING TO OR ARISING UNDER THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY VIRGINIA OR FEDERAL LAW. COVENANTOR FURTHER AGREES THAT, NOTWITHSTANDING ANYTHING HEREIN, WITH RESPECT TO ANY ACTION WHICH INCLUDES INJUNCTIVE RELIEF OR OTHER EXTRAORDINARY RELIEF, SUCH ACTION MAY BE BROUGHT IN ANY COURT WHICH HAS JURISDICTION.**

e. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any unappealed final decision to which Franchisor is a party, Covenantor expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law as if the resulting covenant were separately stated in and made a part of this Agreement.

f. This Agreement contains the entire agreement of the parties regarding the subject matter hereof. This Agreement may be modified only by a duly authorized writing executed by all parties.

g. All notices and demands required to be given in connection with this Agreement shall be in writing and shall be sent by personal delivery, expedited delivery service, certified or registered mail, return receipt requested, first-class postage prepaid, facsimile, telegram or telex (provided that the sender confirms the facsimile, telegram or telex by sending an original confirmation copy by certified or registered mail or expedited delivery service within three (3) business days after transmission), to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other parties.

If directed to Franchisor, the notice shall be addressed to:

Plan C Franchising, LLC
1345 Carmia Way
North Chesterfield, Virginia 23235
Telephone: (804) 944-9464
Attention: Luke Phillips, C.E.O.

With a copy to:

David L. Cahn, Esq.
Whiteford, Taylor & Preston, LLP
Seven Saint Paul Street, Suite 1500
Baltimore, Maryland 21202-1636
Facsimile: (410) 234-2312

If directed to Covenantor, the notice shall be addressed to:

____
____
____
Attention:___________________
Facsimile:___________________

Any notices sent by personal delivery shall be deemed given upon receipt. Any notices given by telex or facsimile shall be deemed given upon transmission, provided confirmation is made as provided above. Any notice sent by expedited delivery service or registered or certified mail shall be deemed given three (3) business days after the time of mailing. Any change in the addresses above shall be affected by giving fifteen (15) days' written notice of such change to the other parties. Business day for the purpose of this Agreement excludes Saturday, Sunday and all national bank holidays.

h. The rights and remedies of Franchisor under this Agreement are (i) fully assignable and transferable, (ii) shall inure to the benefit of its affiliates, successors and assigns, and (iii) shall survive this Agreement and the return of the Manuals and Confidential Information to Franchisor. The obligations of Covenantor in connection with this Agreement (i) may not be assigned by Covenantor without the prior written consent of Franchisor, (ii) shall be binding on Covenantor's heirs, personal representatives, successors and assigns, and (iii) shall survive this Agreement and the return of the Manuals and Confidential Information to Franchisor.

IN WITNESS WHEREOF, the undersigned have entered this Agreement as witnessed by their signatures below.

PLAN C FRANCHISING, LLC, a Delaware limited liability company

ATTEST:

____
WITNESS

By:_____________________________
Name: Lucas A. Phillips
Title: Chief Executive Officer

WITNESS/ATTEST:

COVENANTOR

____
WITNESS

____
Name:___________________________

[FOR DEMONSTRATIVE PURPOSES ONLY]

EXHIBIT E
FORM OF GENERAL RELEASE

THIS GENERAL RELEASE AGREEMENT (this "Agreement") is made and entered into this _______ day of __________, 20___, among Plan C Franchising, LLC, a Delaware limited liability company ("Franchisor"), _____________________ ("Releasor") and ______________("Controlling Principal(s)" and together with Releasor, "Releasing Parties").

RECITALS

WHEREAS, Franchisor and Releasing Parties entered into that certain Franchise Agreement dated ____________, 20__ ("Franchise Agreement") pursuant to which Franchisor granted to Releasor the right and license to operate a The Cocky Rooster (as defined in the Franchise Agreement) within the Assigned Area (as defined in the Franchise Agreement) under the Marks (as defined in the Franchise Agreement) and the System (as defined in the Franchise Agreement).

WHEREAS, [Releasor desires to renew its rights under the Franchise Agreement ("Renewal of the Franchise Agreement")] [Releasor/Controlling Principal(s) desire(s) to Transfer (as defined in the Franchise Agreement) any or all of its Interest (as defined in the Franchise Agreement) ("Transfer Transaction")] in accordance with the terms and conditions of the Franchise Agreement.

WHEREAS, [Releasor desires Renewal of the Franchise Agreement] [Releasor/Controlling Principal(s) desire(s) consent from Franchisor for the Transfer Transaction] pursuant to the terms and conditions of the Franchise Agreement.

WHEREAS, Franchisor requires the Releasing Parties, and the Releasing Parties desire, to execute a general release that releases Franchisor of any and all claims against Franchisor arising from or relating to any act or omission occurring before the effective date of the [Renewal of the Franchise Agreement pursuant to Section 3.2] [Transfer Transaction pursuant to Section 23] of the Franchise Agreement.

NOW THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Recitals.** The foregoing recitals are expressly made part of this Agreement.

2. **Capitalized Terms.** All capitalized terms not defined herein shall have the meanings ascribed to them in the Franchise Agreement.

3. **Release from Obligations and Liability.** The Releasing Parties hereby irrevocably release and forever discharge Franchisor and The Cocky Rooster Companies and their predecessors, affiliates, successors, representatives, assigns, agents, servants, employees, partners, managers, independent contractors, officers, shareholders, members and directors ("Franchisor Parties") from any and all claims, actions, liabilities, demands, obligations, damages, costs, losses, debts and expenses of any nature whatsoever, known or unknown, vested or contingent, that any of the Releasing Parties ever had, now has or hereinafter may have against the Franchisor Parties, in their corporate or individual capacities, in any way arising from or relating to any act, omission, transaction or event occurring before the effective date

of the [Renewal of the Franchise Agreement] [Transfer Transaction], including, without limitation, claims arising under the Franchise Agreement.

4. **Entire Agreement.** This Agreement represents the complete, integrated and entire agreement between the parties and may not be modified except in writing signed by the parties.

5. **Parties-in-Interest.** This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective heirs, trustees, beneficiaries, executors or administrators, personal or legal representatives and assigns.

6. **Governing Law.** This Agreement shall be construed, enforced and interpreted in accordance with the laws of the State of Virginia (without regard to its laws relating to choice-of-law or conflict-of-laws).

7. **Headings.** The headings in this Agreement are inserted for convenience and reference only and are not intended to be used in construing or interpreting any provisions of this Agreement.

8. **Counterparts.** This Agreement may be executed in counterparts which when taken together will constitute one instrument. Any copy of this Agreement with the original signatures of all parties appended will constitute an original.

IN WITNESS WHEREOF, each of the parties hereto has executed and delivered this General Release Agreement as of the date first above written.

RELEASING PARTIES:

RELEASOR

____
Name:__________________________

CONTROLLING PRINCIPAL(S)

____
Name:__________________________

____
Name:__________________________

Acknowledged by:

FRANCHISOR:

PLAN C FRANCHISING, LLC,
a Delaware limited liability company

____
Name:__________________________
Title:__________________________

EXHIBIT F
FRANCHISEE LIST

Our franchises operating as of December 31, 2020 are specified below.

LIST OF FRANCHISEES FOR PLAN C FRANCHISING, LLC

FRANCHISEE-OWNED UNITS

NAME AND ADDRESS	**TELEPHONE NUMBER**

*There are currently no franchises operating for Plan C Franchising, LLC.

Former Franchises and Licensed Locations
*There are currently no former franchises or licensed locations operating for Plan C Franchising, LLC.

EXHIBIT G

TABLE OF CONTENTS OF RESTAURANT OPERATORS MANUAL

TABLE OF CONTENTS

EXHIBIT H
LIST OF STATE ADMINISTRATORS
AND AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS

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

CALIFORNIA
Department of Financial Protection & Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7500

HAWAII
Department of Commerce and
Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

ILLINOIS
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA
Securities Commissioner
Securities Division
Room E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

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

MICHIGAN
First Assistant Attorney General
Consumer Protection Division
Antitrust and Franchise Unit
Department of Attorney General
670 Law Building
525 W. Ottawa Street
Lansing, Michigan 48913
(517) 373-7117

MINNESOTA
Deputy Commissioner
Department of Commerce
85 7th Place East, Suite 500
St. Paul, Minnesota 55101
(651) 296-6328

NEW YORK
New York State Department of Law
Bureau of Investor Protection and
Securities
28 Liberty Street
New York, New York 10005
(212) 416-8211

NORTH DAKOTA
Office of Securities Commissioner
600 East Boulevard, 5th Floor
Bismarck, ND 58505
(701) 328-2910

OREGON
Department of Insurance and Finance
Corporate Securities Section
Labor and Industries Building
Salem, OR 97310
(503) 378-4387

RHODE ISLAND
John O. Pastore
Department of Business Regulation
Division of Securities
Building 69-1
1511 Pontiac Avenue
Cranston, RI 02920-4407
(401) 222-3048

SOUTH DAKOTA
South Dakota Department of
Revenue and Regulation
Division of Securities
445 E. Capitol
Pierre, SD 57501
(605) 773-4013

VIRGINIA
Senior Examiner
State Corporation Commission
Division of Securities & Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219-3630
(804) 371-9883

WASHINGTON
Securities Administrator
Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, Washington 98507-9033
(360) 902-8760

WISCONSIN
Program Assistant
Department of Financial Institutions
Division of Securities
345 West Washington Avenue, 4th Floor
P.O. Box 1768
Madison, Wisconsin 53703
(608) 261-9555

LIST OF STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS

Our agent for service of process is Capitol Services, Inc., 1675 S. State St., Suite B, Dover, Delaware 19901.

We may decide to register this disclosure document as a "franchise" in some or all of the following states, in accordance with the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in those states:

CALIFORNIA
California Commissioner of Financial Protection & Innovation
Department of Financial Protection & Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7505
(866) 275-2677

HAWAII
Commissioner of Securities of the State of Hawaii
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS
Illinois Attorney General
Franchise Division
500 South Second Street
Springfield, Illinois 62706
(217) 782-1090

INDIANA
Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

MARYLAND
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020
(410) 576-6360

MICHIGAN
Michigan Department of Commerce,
Corporations and Securities Bureau
6546 Mercantile Way
Lansing, Michigan 48910
(517) 334-6212

MINNESOTA
Minnesota Commissioner of Commerce
Department of Commerce
85 7th Place East, Suite 500
St. Paul, Minnesota 55101
(612) 296-4026

NEW YORK
Attn: New York Secretary of State
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, NY 12231-0001
(518) 473-2492

NORTH DAKOTA
North Dakota Securities Commissioner
State Capitol
600 East Boulevard Avenue, 5th Floor
Bismarck, North Dakota 58505-0510

OREGON
Director of Oregon Department of Insurance and Finance
700 Summer Street, N.E.
Suite 120
Salem, Oregon 97310
(503) 378-4387

RHODE ISLAND
John O. Pastore
Department of Business Regulation
Division of Securities
Building 69-1
1511 Pontiac Avenue
Cranston, RI 02920-4407
(401) 222-3048

SOUTH DAKOTA
Director of South Dakota Division of Securities
445 East Capitol Avenue
Pierre, South Dakota 57501
(605) 773-4823

VIRGINIA
Clerk of the State Corporation
Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
(804) 371-9733

WASHINGTON
Securities Administrator
Washington State Department of
Financial Institutions
P.O. Box 9033
Olympia, Washington 98507-9033
(360) 902-8760

WISCONSIN
Wisconsin Commissioner of
Securities
345 W. Washington Ave., 4th Floor
Box 1768
Madison, Wisconsin 53703
(608) 261-9555

EXHIBIT I

ADDENDUM TO THE PLAN C FRANCHISING, LLC
DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT AND AREA DEVELOPMENT
AGREEMENT REQUIRED BY THE STATE OF VIRGINIA

This will serve as the State Addendum for Plan C, LL for the State of Virginia for Plan C Franchising, LLC's Franchise Disclosure Document, Franchise Agreement and Multi-Unit Development Rider.

ITEM 17.h of the Disclosure Document and applicable portions of the agreement(s) are amended to add the following:

- It is unlawful for a franchisor to cancel a franchise without reasonable cause or to use undue influence to induce a franchisee to surrender any right given to him or her by any provision contained in the franchise.

ITEM 17.t. of the Disclosure Document applicable portions of the agreement(s) are amended to add the following:

- 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 the 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, the parties hereto have duly executed, sealed and delivered this Addendum dated this ______ day of _______________, 20___.

ATTEST

____
Witness

PLAN C FRANCHISING, LLC

By:_______________________________________
Name: Lucas A. Phillips
Title: Chief Executive Office

FRANCHISEE:

____

____
Witness

EXHIBIT J TO FRANCHISE DISCLOSURE DOCUMENT

STATE EFFECTIVE DATES

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

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

State	**Effective Date**
Virginia	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 certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If **Plan C Franchising, LLC** offers you a franchise, it must provide this Disclosure Document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

If you are a resident of New York, you must be provided with this Disclosure Document the earliest of the first meeting to discuss our franchise, 10 business days before signing a binding agreement or 10 business days before any payment to us. If you are a resident of Michigan you must be provided with this Disclosure Document at least 10 business days before signing a binding agreement.

If **Plan C 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the State Administrator listed in Exhibit I.

See Exhibit H for our Resident Agents authorized to receive service of process.

I have received a Disclosure Document issued July 28, 2023 that included the following Exhibits:

A. FINANCIAL STATEMENTS
B. FRANCHISE AGREEMENT (INCLUDING MULTI-UNIT ADDENDUM)
C. ELECTRONIC TRANSFER AUTHORIZATION
D. CONFIDENTIALITY AGREEMENT
E. FORM OF GENERAL RELEASE
F. FRANCHISEE LIST
G. TABLE OF CONTENTS OF OPERATIONS MANUAL
H. LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS
I. STATE SPECIFIC ADDENDA
J. STATE EFFECTIVE DATES

Brett Diehl acts as our franchise seller. His address is 2523 W. Main Street, Richmond, Virginia 23220 and his telephone number is 804-944-9464.

Date of Receipt: ___________ Prospective Franchisee

___________________________, individually

or as an officer or member of _______________________________

a [_______________________ corporation]

a [________________________ limited liability company]

KEEP THIS COPY FOR YOUR RECORDS.

RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If **Plan C Franchising, LLC** offers you a franchise, it must provide this Disclosure Document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

If you are a resident of New York, you must be provided with this Disclosure Document the earliest of the first meeting to discuss our franchise, 10 business days before signing a binding agreement or 10 business days before any payment to us. If you are a resident of Michigan you must be provided with this Disclosure Document at least 10 business days before signing a binding agreement.

If **Plan C 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the State Administrator listed in Exhibit I.

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Brett Diehl acts as our franchise seller. His address is 2523 W. Main Street, Richmond, Virginia 23220 and his telephone number is 804-944-9464.

Date of Receipt: ___________

Prospective Franchisee

__________________________, individually

or as an officer or member of ______________________________

a [______________________ corporation]

a [_______________________ limited liability company]

PLEASE SIGN THIS COPY OF THE RECEIPT, DATE YOUR SIGNATURE AND RETURN IT TO PLAN C FRANCHISING, LLC, 1345 CARMIA WAY, NORTH CHESTERFIELD, VIRGINIA 23235 OR BY SCANNING AND EMAILING TO GIMMEONE@COCKY-ROOSTER.COM.