

FRANCHISE DISCLOSURE DOCUMENT



CML Storefront, LLC
a Maine limited liability company
125 John Roberts Road, Unit #2
South Portland, ME 04106
Telephone: 855-855-4265
franchise@cousinsmainelobster.com
www.cousinsmainelobster.com

As a franchisee, you will operate a restaurant serving lobster, seafood, and other items under the name “Cousins Maine Lobster®” from a storefront location.

The total investment necessary to begin operation of a Cousins Maine Lobster® restaurant is between \$266,600 and \$965,800. This includes between \$90,500 and \$143,500 that must be paid to the franchisor and its affiliates.

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 government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Sabin Lomac at 125 John Roberts Road, Unit #2, South Portland, ME 04106 and 855-855-4265.

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

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

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

ISSUANCE DATE: April 23, 2026

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit H.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C-1 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 Cousins Maine Lobster® 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 Cousins Maine Lobster® franchisee?	Item 20 or Exhibit H lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Maine. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Maine than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty or other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
3. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.
4. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
5. **Financial Condition.** The Franchisor's financial condition as reflected in its financial statements (see Item 21) calls into question the Franchisor's financial ability to provide services and support to you.

MICHIGAN SPECIFIC-NOTICE

The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you:

- (a) A prohibition of the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (30) days, to cure each failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of your Storefront are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five (5) years; and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside of Michigan. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualification or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

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

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

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

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

Note: Despite subparagraph (f) above, we intend, and we and you agree to fully enforce the arbitration provisions of the Franchise Agreement. We believe that paragraph (f) is unconstitutional and cannot preclude us from enforcing these arbitration provisions. You acknowledge that we will seek to enforce this section as written.

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Attorney General's Department for the State of Michigan, Consumer Protection Division, Franchise Section, 670 Law Building, 525 W. Ottawa Street, Lansing, Michigan 48913, (517) 373-7117.

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Exhibits

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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this disclosure document, “we”, “us,” or “our” means CML Storefront, LLC, the franchisor. “You” or “your” means the person to whom we grant a franchise, whether you are an individual or a corporation, partnership, limited liability company or other legal entity, and includes all owners and partners of the person who buys the franchise.

The Franchisor, its Parent, and its Affiliates

We are a Maine limited liability company that was formed on February 21, 2017. Our principal business address is 125 John Roberts Road, Unit #2, South Portland, ME 04106. We do business under the name “Cousins Maine Lobster[®],” and other trademarks we designate (the “Marks”). We began offering franchises in February 2017. We do not conduct any business activities other than franchising.

Our affiliate, Cousins Maine Lobster, LLC (“CML”) is a California limited liability company that was formed in November 17, 2011. CML’s principal business address is 125 John Roberts Road, Unit #2, South Portland, ME 04106. CML currently operates mobile food trucks serving the same, and similar items as Storefronts, under the Marks (“Food Trucks”) (and has done so since November 2011) and licenses the Marks to us that we license to you. CML has operated a Storefront since July 2015. CML has never offered franchises or conducted any other line of business.

Our affiliate, Cousins Seafood Distribution, LLC (“CSD”) is a Maine limited liability company that was formed on September 10, 2019. CSD’s principal business address is 125 John Roberts Road, Unit #2, South Portland, ME 04106. CSD is the sole supplier of seafood and other food items to our franchisees and sells products and inventory to our franchisees and other retailers. CSD has never offered franchises or conducted any other line of business.

Our affiliate, CML Franchise LLC (“CMLF”), is a Maine limited liability company that was originally formed in California on January 9, 2014. CMLF converted to a Maine entity on April 19, 2022 and has a principal business address at 125 John Roberts Road, Unit #2, South Portland, ME 04106. CMLF has common ownership with us and guarantees our pre-opening financial obligations to our franchisees in the states of California, Hawaii, Minnesota, South Dakota, and Virginia. CMLF offers franchises for Food Trucks under the Marks. As of December 31, 2025, CMLF had 78 franchisee-owned outlets.

Our affiliate, Cousins Fried Seafood LLC (“CFS”), is a Maine limited liability company that was formed on March 27, 2025. CFS’s principal business address is 125 John Roberts Road, Unit #2, South Portland, ME 04106. CFS offers franchises for mobile food trucks and storefronts operating under the “Cousins Fried Seafood[™]” name and system, which primarily feature fried seafood items such as haddock, scallops, shrimp, and clams. CFS began offering franchises in 2026. CFS does not provide products or services to our franchisees and has never offered franchises in any other line of business.

We have never offered franchises in any other line of business. We do not have any predecessors or parent. Other than as stated above, we do not have any affiliates that offer franchises in any line of business or provide products or services to our franchisees.

The Franchise

We offer restaurant franchises serving lobster, seafood, and other food items under the Marks operated in a fast-casual environment (“Storefronts”). Storefronts operate under a proprietary system that includes our

know-how, information, trade secrets, training methods, Operations Manual, standards, designs, trademark usage guidelines, copyrights, approved sources and specifications, confidential electronic and other communications, marketing programs, and research and development connected with the operation and promotion of Storefronts, all of which may be changed, improved, or further developed from time to time (the “System”).

All lobster we require you to use is the species *Homarus americanus*, commonly known as Maine lobster. Our lobster may be harvested in United States or Canadian waters and may be cooked or otherwise processed at facilities located in the United States and/or Canada. While we generally seek to support the lobster industry in Maine and the United States, due to seasonality and supply-and-demand considerations, we may source lobster from Canada or other approved sources from time to time.

You must operate your Storefront following in accordance with our standard business operating practices and sign our standard franchise agreement (“Franchise Agreement”). You must offer only the products and services that we authorize and require under our System. We reserve the right, in our sole discretion, to add, modify, or delete required or permitted products and services upon written notice to you. You must obtain and maintain all necessary permits, licenses, and approvals necessary to operate your Storefront. We also have the right to require you to remodel, reimage, or replace equipment or elements of your Storefront after it has been operating for a specified period to ensure compliance with our then-current standards.

Market and Competition

The market for our services and products is highly competitive and is well-developed. You will have to compete with franchised operations, national chains and independently owned companies serving seafood in a fast-casual environment. You may also encounter competition from other Cousins Maine Lobster® Storefronts and Food Trucks. There may be some seasonality to your franchise, and you may experience lower traffic on holidays, depending on your location.

Industry-Specific Regulations

In addition to laws and regulations that apply to businesses generally, your Storefront will be subject to various federal, state and local laws and regulations applicable to restraint operations. These may include requirements relating to business licensing, health and sanitation, food safety and handling, menu labeling, fire and safety standards, zoning or location restrictions, and similar matters.

You must comply with all applicable laws and regulations governing the operation of your Storefront, including obtaining and maintaining any required permits, licenses, and approvals. Depending on the jurisdiction and the manner in which you operate your Storefront, these requirements may include permits or approvals related to restaurant operations, commissary or shared kitchen facilities, food preparation and storage, and, if applicable, the sale of alcoholic beverages.

You are solely responsible for determining which laws and regulations apply to your Storefront and for ensuring ongoing compliance. You should consult with your own legal and regulatory advisors regarding these and any other requirements applicable to your business.

Agents for Service of Process

Our agents for service of process are listed on Exhibit A to this Disclosure Document.

ITEM 2
BUSINESS EXPERIENCE

Jim Tselikis -- Owner

Jim is an Owner and Manager of us, CMLF, CML, and CSD and has been since January 2014, October 2017, November 2011, and September 2019, respectively.

Sabin Lomac -- Owner

Sabin is an Owner and Manager of us, CMLF, CML, and CSD and has been since January 2014, October 2017, November 2011, and September 2019, respectively.

Barbara Corcoran -- Owner

Barbara is an Owner and Manager of us, CMLF, and CML, and has been since January 2014, October 2017, and August 2012, respectively. Barbara is also an owner of CSD and has been since June 2023. Since 2008, Barbara has been the principal of Barbara Corcoran Inc, a New York corporation operating in New York, New York. She is a business consultant, real estate investor, author, public speaker, and TV personality on ABC's hit TV Show 'Shark Tank.'

Shaun Higgins --President

Shaun is our President and holds the same position with CMLF since September 2023. Shaun joined us in August 2014 (and CMLF in October 2017). Between August 2014 (and October 2017 for us) and September 2023, Shaun was Vice President of Franchise Operations.

Nick Loukes -- General Counsel; Corporate and Franchise Manager

Nick is our General Counsel, Corporate and Franchise Manager, and holds the same position with CMLF. Nick joined us (and CMLF) in January 2021. From April 2019 to December 2020, Nick was an attorney with Lanman Rayne, PLLC in Portland, Maine.

Anthony Hessert -- Chief Financial Officer

Anthony Hessert is our Chief Financial Officer and holds the same position with CMLS. Anthony joined us (and CMLS) in July 2025. From October 2020 to July 2025, Anthony was Vice President of Finance for FISBA North America, LLC (d/b/a GrayOptics) in Saco, Maine.

Mike Carmody -- Vice President of Operations

Mike is our Vice President of Operations and holds the same position with CMLF since August 2022. Between October 2017 and August 2022, Mike was our and CMLF's Director of Operations.

Lindsay Herberger -- Director of Franchise Development

Lindsay is our Director of Franchise Development since April 2024 and holds the same position for CMLF. From January 2023 to April 2024 Lindsay was the Manager, Development & Franchise Recruiting for The Wendy's Company in Dublin, Ohio. From April 2021 to January 2023 she was the Sr. Specialist, Global Franchise Recruiting for The Wendy's Company in Dublin, Ohio. From March 2019 to April 2021 she was a Specialist, Global Franchise Recruiting for The Wendy's Company in Dublin, Ohio.

Jameson Lyons - Vice President of Branding & Innovation

Jameson is our Vice President of Branding & Innovation and holds the same position with CMLF since August 2022. Jameson joined us and CMLF in April 2017. Jameson previously worked with Cousins Maine Lobster® businesses as a Brand and Project Manager from October 2017 to August 2022.

Allison Pillar - Director of Brand Compliance

Allison Pillar is our and CMLF's Director of Brand Compliance since 2023 and is a trainer for all training topics. From May 2021 to 2023, Allison was our (and CMLF's) Training and Compliance Manager. Allison has worked with both us and CMLF since 2017, working in a management role in company-owned Food Trucks and Storefronts.

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

Application Fee

You must pay us an application fee of \$500 for each individual who will hold any ownership interest in your franchise at the time you apply to become a franchisee, but only after at least 14 days have passed since you received this Franchise Disclosure Document. We will use the application fee to conduct a credit and criminal background check, in accordance with applicable law, and to evaluate you as a franchisee candidate. The application fee is not refundable under any circumstances.

Initial Franchise Fee

You must pay us an initial franchise fee of \$40,000 in a lump sum via wire transfer when you sign the Franchise Agreement. Your initial franchise fee is not refundable under any circumstances.

Initial Inventory Startup Package

You must purchase from our affiliate (currently CSD) an initial order of food inventory for your Storefront in an amount ranging between \$30,000 and \$80,000, depending on the size and location of your franchise, time of the season, suppliers, and other related factors. Payment for this package is due within 18 days of ordering, unless specified otherwise in your invoice.

Deposit Account

You must pay us \$20,000 in a lump sum via wire transfer when you sign the Franchise Agreement for your Deposit Account. We will hold this amount and use it only if you do not pay us or CSD for inventory you order or for franchise fees you incur, and you will be required to replenish the funds in the account so that \$20,000 remains on deposit with us. If you elect not to obtain a successor franchise (renew) with us, we will at your option either refund this amount (without interest) to you at the expiration of your franchise, or apply it to your inventory purchases during the last three months of your franchise term. It is not refundable under any other circumstances.

Delayed Opening Fee

If you fail to open your Storefront within ten (10) months after we sign the Franchise Agreement, we have the right to either terminate your Franchise Agreement or charge you a delayed opening fee of \$10,000 per month for up to three months, which is payable in a lump sum. The delayed opening fee is not refundable under any circumstances.

We sometimes have discounted or waived the initial franchise fee and deposit account requirements or agreed to a refund of part of initial franchise fees, for existing franchisees purchasing additional franchises from us (although we are not obligated to do so). Otherwise, these initial fees are uniform to all franchisees under this offering, and none of the fees are refundable under any circumstances.

ITEM 6

OTHER FEES¹

Type of Fee	Amount	Due Date	Remarks
Royalty	The greater of 6% of your Gross Sales or \$3,500 per month. (Note 2).	5 th day of each month.	Based on your Gross Sales during the previous month.
Advertising Fund Contribution	Up to 2% of your Gross Sales.	5 th day of each month.	Based on your Gross Sales during the previous month.
Regional Advertising Cooperative Contribution	An amount we designate, up to \$400 per month. (Note 3)	Payable on the day of the week, month (or other period) designated by us or the Cooperative.	Each member will vote on the Cooperative's actions at the rate of one Storefront, one vote. Neither we nor our affiliates have controlling voting rights in any Cooperative.
Deposit Account	Amount needed to restore account to \$20,000	Upon notice that we have applied funds to amounts you owe us or our Affiliates.	We have the right to apply the funds in the deposit account to past-due amounts you owe us or our Affiliates. If we do so, you must restore the balance to \$20,000.

Type of Fee	Amount	Due Date	Remarks
Advertising Materials	Our costs of producing advertising and promotional materials.	Upon ordering or shipment of materials.	We may create certain advertising and promotional materials for use by Storefronts. We have the right to require you to reimburse us for our costs of creating them.
Late, Dishonored Payment, or Insufficient Funds Fee	\$50 for each day your payment is late. (Note 3)	As incurred.	Payable if you do not pay your bills on time, if any check, electronic payment or other payment you tender to us is not honored for any reason.
Default Fee	\$300 (Note 3)	As incurred.	We will charge you this fee for any default you commit under the Franchise Agreement.
Interest	Daily equivalent of 1.5% per month simple interest of the delinquent amount or the highest rate permitted by law, whichever is less.	Payable when any payment is overdue.	Payable if you do not pay your bills on time. Interest begins from the date the payment was due.
Insurance	Our cost of premiums, plus an administrative fee equal to 20% of the cost of the premiums.	Upon demand.	Payable if you fail to maintain required insurance coverage and we elect to obtain coverage for you.
Additional Training and Conventions	Our then-current rates, presently \$500 per day plus travel expenses for additional onsite support; \$300 per attendee additional training, national conventions, and for new, or replacement manager to attend initial training. (Note 3)	Upon your registration for the training, or convention	For training and support beyond the initial training and national conventions, you must pay the current training fee. If you are a renewing franchisee, we may require you to obtain additional training or re-training as part of your renewal.
Transfer Fee	\$10,000	\$2,500 must be paid when you ask us to review a transfer. The remaining \$7,500 is due at closing.	These amounts are not refundable.
Successor Franchise (Renewal) Fee	\$10,000	Upon signing your successor franchise agreement.	Payable if you wish to obtain the right to continue operating as our franchisee after the end of your initial franchise term.

Type of Fee	Amount	Due Date	Remarks
Reimbursement of Inspection Costs	Varies.	After we inspect your Storefront.	We will charge you for our costs, plus \$500 for re-inspection, if you fail a compliance inspection. Further, if you wish to obtain a renewal franchise, you must bring your Storefront up to our current standards, and reimburse our costs of inspecting your Storefront to confirm.
Out of Uniform Fee	\$250 per instance (Note 3)	As incurred.	If, during an inspection, we determine that any of your employees or independent contractors are not wearing the required uniforms in compliance with our System standards, we may charge you a fee for each non-compliant individual. This fee is intended to cover our administrative and compliance costs associated with enforcing uniform and brand standards.
Relocation Fee	\$10,000	Upon requesting our approval of your proposed relocation of your Storefront.	You must obtain our written consent before you relocate your Storefront, and you may not relocate it outside of your Territory.
Holdover Royalty	Our then-current Royalty, plus 2%	5 th day of each month.	We will charge this fee if your Franchise Agreement expires, you have not entered a successor agreement, and you continue operating the Storefront.
Management (Step-In) Fee	The direct expenses we incur on your behalf, plus our then-current, reasonable management fee (currently \$500/day).	As incurred.	Due when we (or a third party) manage your Storefront after your death or disability, or by exercising our step-in rights.
Audit Fees	Actual cost of audit fees, plus the underreported fees, late charges on those fees, and interest on the fees you did not pay at 1.5% per month.	As incurred.	Payable only if the audit shows an understatement greater than 2% of reported amounts.

Type of Fee	Amount	Due Date	Remarks
Reinspection Fee	\$500 for each re-inspection, plus our travel, living, and lodging expenses. (Note 3)	As incurred.	We have the right to charge this fee if you fail an inspection and we conduct a reinspection.
System Standards Violation	All costs of inspection and audit.	Upon demand	If you fail to adhere to the System standards, you must reimburse us for any and all costs and expenses associated with counsel, inspection, support, assistance, enforcement rendered to and against you regarding the System standards violation and/or non-compliance.
Costs, administrative expenses, and attorneys' fees	Will vary under circumstances (Note 4).	Upon settlement or conclusion of a claim or action; in resolution of our efforts to collect past-due fees from you; or when we take action against you in response to your default of the Franchise Agreement.	Due when you do not comply with the Franchise Agreement.
Trade Payable Reimbursement	Amount we pay on your behalf, plus interest at the lesser of 18% or the highest rate permitted by law.	Upon demand	If you fail to pay your suppliers, employees, or creditors when due, we have the right (but not the obligation) to pay the amount due on your behalf. You must then reimburse us.
Indemnification	Will vary under circumstances.	As incurred.	Payable to indemnify us, our affiliates and owners, officers, employees, agents, successors, and assigns against all claims related to your ownership and operation of your Storefront.
Sales/Use Taxes	Will vary under circumstances.	Payable with your Royalty Fee or Advertising Fund Contribution	You must pay any state or local sales or use tax that may be assessed on fees you pay us.

Type of Fee	Amount	Due Date	Remarks
Liquidated Damages	The greater of: (a) \$3,500; or (b) the combined monthly average of your Royalty Fees and Advertising Fund Contributions (without regard to any fee waivers or other reductions) that are owed by you to us during the six (6) month period prior to the date of early termination, multiplied by: the lesser of: (i) 24 months, or (ii) the number of full months remaining in the Term.	Within fifteen (15) days of the early termination of your franchise.	Due only if we terminate the Franchise Agreement before the end of the term because of your material breach, or you terminate the Franchise Agreement without legal cause.

1. All fees paid to us are uniform and non-refundable under any circumstances once paid. Fees paid to vendors or other suppliers may or may not be refundable depending on the vendors and suppliers. The fees listed in this Item 6 are not uniformly imposed by us as to all franchisees. All fees or money that you owe to us or our affiliates must be paid by electronic transfer no later than on the date they are due.

2. "Gross Sales" means All consideration, whether by cash, credit, in kind, checks, gift certificates, scrip, coupons, services, property or other means of exchange, or otherwise, derived directly or indirectly from the operation of your Storefront, including the credit value given for all merchandise trades, the full retail value of any item sold at your Storefront (regardless of any discounts or giveaways), the full retail value of any gift certificate or coupon sold for use at your Storefront (fees retained by or paid to third party sellers of such gift certificates or coupons are not excluded from Gross Sales), and insurance proceeds and/or condemnation awards for loss of sales, profits or business.. Gross Sales does not include:

- (i) the amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales and collected from customers, provided that the amount of any such tax is shown separately and, in fact, paid by you to the appropriate governmental authority; or
- (ii) tips from customers given to your employees.

Gross Sales are deemed received by you at the time the products or services from which they were derived are delivered or rendered or at the time the relevant sale takes place, whichever occurs first, regardless of whether final payment (e.g., collection on a customer's personal check) actually has been received by you.

If you do not timely report your Gross Sales to us, we will have the right, at our option, to debit your account in an amount equal to either: (a) one hundred and twenty percent (120%) of the fees transferred from your account for the last period for which you provided a report of your Gross Sales to us; or (b) the amount due based on information retrieved from the POS System.

3. Unless we have indicated otherwise, for any fee that is listed as our then-current fee in the table above, we have the right to increase fees by a maximum of 10% per year, calculated cumulatively over the term of the Franchise Agreement. Additionally, we may also increase these fees up to the amount of any

increases in fees from third parties (excluding our affiliates) for the underlying products or services which will be added to the capped fee increase.

4. If we win any legal action to protect our rights or enforce the Franchise Agreement, you must reimburse us for reasonable attorneys' fees and court costs. If we are involved in any legal action due to your actions or errors, you are responsible for our reasonable attorneys' fees and third-party costs. Additionally, if we need to engage a collection agency, legal counsel, or any third party due to your failure to pay amounts due, submit required reports, or comply with the Franchise Agreement, you must cover all related costs, including reasonable legal fees, investigation fees, travel expenses, and hourly charges of our employees or agents.

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT (UNIT FRANCHISE)

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee	\$40,000	Lump Sum via Wire Transfer	Upon signing of the Franchise Agreement	Us
Application Fee ¹	\$500 to \$3,500	Lump Sum via Wire Transfer	When you apply for a franchise	Us
Deposit Account	\$20,000	Lump Sum via Wire Transfer	Upon signing of the Franchise Agreement	Us
Leasehold Improvements ²	\$90,000 to \$400,000	As incurred	Before Beginning Operations	Lessor
Rent and Security Deposit ³	\$3,000 to \$36,000	As incurred	Before Beginning Operations	Lessor
Utility Deposits	\$0 to \$5,000	As Arranged	Before Beginning Operations	Utilities
Furniture, Fixtures & Equipment ⁴	\$5,000 to \$150,000	As incurred	Before Beginning Operations	Suppliers
Initial Inventory (Startup Package)	\$30,000 to \$80,000	As incurred	Before Beginning Operations	Our Affiliate and/or Suppliers
Signage	\$4,750 to \$40,000	As Arranged	Before Beginning Operations	Suppliers
Insurance	\$1,000 to \$5,000	As incurred	Before Beginning Operations	Insurance Companies
Office Equipment & Supplies	\$250 to \$5,000	As incurred	Before Beginning Operations	Suppliers
Computer Equipment (Hardware, Software, POS System, etc.)	\$8,350 to \$23,800	As incurred	Before Beginning Operations	Suppliers
Travel and Living Expenses for Training ⁵	\$5,000 to \$10,000	As incurred	Before Beginning Operations	Airlines, Hotels, other Suppliers
Licenses & Permits	\$2,000 to \$15,000	As incurred	Before Beginning Operations	Licensing Authorities
Legal & Accounting	\$5,000 to \$15,000	As incurred	Before Beginning Operations	Attorney, Accountant
General Contractor	\$750 to \$40,000	As incurred	Before Beginning Operations	General Contractor

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Grand Opening Advertising	\$1,000 to \$2,500	As incurred	Before opening and during the first 3 months of operation	Vendors
Additional Funds – three months ⁶	\$50,000 to \$75,000	As incurred	As Necessary	Us, Vendors, Lessor, Etc.
TOTAL ⁷	\$266,600 to \$965,800			

(Please see Notes below, which are an integral part of this Item)

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your Storefront. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing from third parties depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and the lending policies of financial institutions from which you request a loan.

All fees paid to us are non-refundable under any circumstances once paid. Fees paid to vendors or other suppliers may or may not be refundable depending on the vendors and suppliers. The fees listed in this Item 7 are not uniformly imposed by us as to all franchisees. All fees or money that you owe to us or our affiliates must be paid by electronic transfer no later than on the date they are due. In compiling this chart, we relied on our experience as a franchisor (since 2017) of Cousins Maine Lobster® Storefronts that are similar to the franchise being offered to you.

1. Application Fee. You must pay us an application fee of \$500 for each individual who will own an interest in you. For the high estimate, we assume up to seven individuals will own an interest in you.

2. Leasehold Improvements. The site for your Storefront will typically be between 1,200 and 1,600 square feet, but may be in a larger or smaller space depending on site requirements. These amounts include the expected expenses for building out your Storefront. These amounts are our best estimate of the range of costs of leasehold improvements, and will likely vary substantially based on local conditions, including the availability and prices of labor and materials (estimate is based upon non-union labor); the site's condition, configuration, location, and size; the demand for the site among prospective lessees; the site's previous use; county or city building application and inspection fees; county, city, or state codes; the cost to access existing plumbing; and any construction or other allowances the landlord grants. They do not include capitalized costs of rent or other occupancy costs, over either the life of the lease or the life of your investment. These estimates assume that the landlord will provide a "vanilla shell" space that, at a minimum, includes concrete floors, demised exterior walls, HVAC, roof, and utilities stubbed to the premises sufficient for a Storefront. The lower figure assumes that you remodel an existing restaurant space. These amounts do not reflect costs for the construction of a free-standing Storefront, which also would result in a significantly greater initial investment.

You must use our designated supplier (currently F.C. Dadson) for construction management services (for a fee of \$31,900) and for front of house décor and finishes for a cost ranging between \$35,000 and \$65,000 based on the needs of your site. If you do not begin operating your Storefront within 10 months of signing the Franchise Agreement, we have the right to charge you a Delayed Opening Fee of \$10,000 per month for up to three (3) months. The amounts above do not include any charges for the Delayed Opening Fee.

3. Rent. These costs could be substantially higher in certain markets, depending on the square footage of the space; the city or town in which it is located; condition of the space; population density; and the types of common area or other charges that will be allocated to you. You should carefully investigate all of these costs in the area where you wish to establish your Storefront. In some cases, your Storefront may not have

sufficient freezer space. In such case, you will have to rent an offsite freezer which will range from \$240 to \$1,000 per month.

4. Furnishings and Equipment. You must purchase and/or lease and install furniture, fixtures and equipment and décor necessary to operate your Storefront from us, our affiliate, or an approved supplier. The cost of the furniture, fixtures and equipment will vary according to local market conditions, the size of the facility, suppliers and other related factors.

5. Training Expenses. We require you and your Designated Manager to participate in our initial training program described further in Item 11. This estimate may vary depending on the number of attendees you wish to bring, mode of transportation distance of transportation, selection of lodging and dining options.

6. Additional Funds. Additional funds is an estimate of the funds needed to cover pre- and post-opening expenses including sales taxes, recruitment, on-site training expenses, payroll processing, janitorial services as well as additional operating capital for other variable costs (e.g., electricity, telephone, Internet service, Internet setup, etc.), paper, office supplies, cleaning, cellular telephones, and other supplies. Additional funds are also an estimate of the monies you will need on hand during the initial phase of Business operations. This estimate also includes the estimated cost of salaries for your employees, but does not include an estimated salary for you. You must maintain a minimum average daily balance in your Storefront's operating bank account of \$50,000, which amount is included in this line item.

In compiling this chart, we relied on our and our affiliate's experience as developers and operators (since 2011) of Cousins Maine Lobster® Storefronts that are like the franchise being offered to you. Our estimates are based on our and our affiliate's experience in building, developing, and operating those Storefronts.

7. Figures May Vary. This Estimated Initial Investment Item 7 includes our estimates of your initial startup expenses and funds for additional inventory and additional funds for the operation of your Storefront. These expenses include payroll costs, but assume that you will not draw a salary. Additional funds for the operation of your Storefront will be required after the first three months of operation if sales produced by your Storefront are not sufficient to produce positive cash flow.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To help ensure a uniform image and uniform quality of products and services throughout the Cousins Maine Lobster® System you must maintain and comply with our quality standards. Any required standards exist to protect our interest in the System and the Marks and not for the purpose of establishing any control, or the duty to take control, over those matters that clearly are reserved to you. We publish our standards, specifications, policies, and procedures in our confidential operations manuals, our training videos, and other documents (collectively, the "Operations Manual") that we will loan to you.

Approved and Designated Suppliers

We will specify the manufacturers, suppliers, and distributors that you must use, or that we have approved for use, in connection with the operation of your Storefront. We will also specify the equipment, signage, stationery, supplies, ingredients, inventory, and other products or services that you must use or that must meet our specifications or standards. Some products may be approved by brand or supplier, while others may be approved based on specifications or standards rather than by reference to a particular manufacturer.

From time to time, we, our affiliates, or third-party vendors may be the only approved source for certain products or services. We may change approved or required suppliers, products, specifications, or standards from time to time, and we will notify you of those requirements in the manner we deem appropriate. Our affiliate, CSD, is currently the sole authorized supplier and distributor of certain seafood and related food products, including lobster, soups, bread, and seafood inventory.

Except where we designate a single-source supplier, you may request our written approval to purchase products or services from a supplier that we have not approved. The procedures for submitting a request will be described in the Operations Manual. We may require you to reimburse us for our reasonable costs incurred in evaluating any proposed supplier or product. We will have up to thirty (30) days after receiving all required information to complete our evaluation and notify you of our decision. As part of our evaluation, we may require samples, documentation, and other information necessary to determine whether a proposed supplier or product meets our specifications and quality, safety, and operational standards. We may inspect or re-inspect any supplier or product and revoke approval if it no longer meets our criteria. We will provide notice of any revocation.

In evaluating proposed suppliers, we generally consider factors such as product quality; conformity with our specifications; the supplier's reputation, integrity, and financial condition; insurance coverage; delivery capabilities; compliance with applicable health and safety laws; and pricing. We do not disclose our internal supplier-selection criteria to franchisees, although we may disclose specifications or standards to suppliers as we deem appropriate.

Required Purchases or Leases

A list of the materials that you may be required to purchase from suppliers approved by us, and the identity of those approved suppliers, will be described in the Operations Manual and/or otherwise communicated to you in writing from time to time. We or our Affiliates are the only approved suppliers of lobster and seafood inventory for use in your Storefront. Except for those items, neither we nor our Affiliates are approved suppliers of products or services as of the Effective Date; however, we reserve the right to become approved suppliers, or the only approved suppliers, of additional products or services in the future.

Inventory

You must purchase all your lobster, seafood, bread, whoopie pies, soups, and other food items from our affiliate, currently CSD, which is the only approved supplier of these items. You must purchase beverages and various other food inventory products from suppliers and vendors that we designate or approve. We and our affiliates are not approved suppliers of beverages.

Because lobster is a natural and perishable product, the amount of usable meat yielded from any processed lobster may vary. Yield can be affected by multiple factors, including harvest season, handling by you, processing methods and facilities, and water weight content. As a result, we and our Affiliates cannot and do not guarantee the amount of usable lobster meat you will receive per pound of lobster ordered.

We also require you to purchase other food, beverage, and inventory items from approved suppliers that are not affiliated with us.

Real Estate and Site Selection

You must purchase or lease real estate for your Storefront according to the criteria that we will make available to you in the Operations Manual. We will pay for the services of a company to help you evaluate a site for your Storefront, however, you are required to obtain a local general contractor to conduct an initial

site inspection or site plan review and, if you lease the location, you must obtain local legal counsel to review and negotiate your lease agreement, in each case prior to obtaining our final approval. Additionally, if you lease the location, you and the landlord must execute the standard form of lease addendum (attached to this Franchise Disclosure Document as Exhibit G-5). You must construct and equip your Storefront according to our approved design, specifications and standards. We are not presently an approved supplier of the real estate or site selection services for your Storefront.

Construction Management Services and Décor

You must use our designated supplier for construction management of your site, which includes pre-lease/LOI Consultation, architectural plans, General Contractor selection, and project management, and the supplier for front-of-house décor items and finishes for a cost ranging between \$35,000 and \$65,000 based on the needs of your site. We are not an approved supplier of these services or items.

Equipment and Supplies

You must purchase or lease your Storefront, and outfit it with the equipment, decals, fixtures, furniture, signage, cameras, and supplies that we require, according to the criteria that we will make available to you. All of the equipment, supplies, fixtures, and signage you purchase for your Storefront must be approved by us and comply with our System standards and specifications. We and our affiliates are not the only approved suppliers of these items.

Advertising and Promotional Materials

You are required to submit to us and obtain our prior approval for all advertising and promotional plans and materials, and all other materials displaying the Marks. We are not suppliers of advertising and promotional materials.

Merchant Services

You must obtain a merchant services account from an approved supplier for credit card processing. Neither we, nor any of our affiliates, are approved suppliers of these items.

POS System, Software, and Technology Equipment

We require you to purchase your POS system, Digital Signage System, Networking System, Mobile App Equipment, related software, and other technology and software products from our designated suppliers. Upgrades to these items may be required periodically. We and our affiliates are not suppliers of the POS System, software, or other technology products.

Employee Uniforms

You must purchase your employee uniforms from our approved vendor. We and our affiliates are not suppliers of uniforms.

Insurance

You must obtain and maintain, at your expense, the insurance coverages that we require from time to time. All required insurance policies must be issued by insurance carriers approved by us and having a rating of at least A- by A.M. Best, or the equivalent. We and our Affiliates are not approved or designated suppliers of any required insurance policies.

Our current required insurance policies and minimum coverage amounts are described in the Operations Manual and the Franchise Agreement, and generally include the following: (1) Commercial General Liability insurance, including products liability, completed operations, property damage, contractual liability, independent contractors liability, and personal injury coverage, with a combined single limit of at least \$1,000,000 per occurrence and \$2,000,000 aggregate, or higher if required by applicable state law, and naming us, along with our members, directors, agents, and Affiliates, as additional insureds on a primary and noncontributory basis; (2) Workers' Compensation insurance and Employer's Liability insurance in the amounts required by applicable law, with Employer's Liability limits of not less than \$1,000,000 per accident, \$1,000,000 per employee for bodily injury by disease, and \$1,000,000 policy aggregate, or higher if required by law; (3) business interruption and lost profits insurance providing coverage for at least six (6) months of profits and necessary operating expenses; (4) Employment Practices Liability insurance with limits of not less than \$1,000,000 per claim and \$1,000,000 aggregate, covering employment-related claims, including claims for discrimination, harassment, wrongful termination, retaliation, wage and hour violations, and similar matters, and including coverage for us and our Affiliates as required by the Franchise Agreement; (5) automobile liability insurance covering all vehicles used in the operation of the franchised business, with limits of at least \$1,000,000 combined single limit for bodily injury and property damage, or higher if required by state law; (6) excess or umbrella liability insurance with limits of not less than \$2,000,000 per occurrence and \$2,000,000 aggregate, providing coverage over Commercial General Liability, Automobile Liability, and Employer's Liability insurance; (7) insurance coverage for products in transit and food spoilage, as applicable to your operations; and (8) unemployment insurance, state disability insurance, and any other insurance required to meet applicable legal requirements or required by local or state authorities.

All required insurance policies must include waivers of subrogation in our favor and provide coverage for your indemnification obligations under the Franchise Agreement. We may unilaterally modify our insurance requirements, including increasing minimum coverage limits, by providing notice through revisions to the Operations Manual.

Proportion of Required Purchases and Leases to All Purchases and Leases

We estimate that the purchase or lease of goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Storefront, from us or our designated or approved suppliers and distributors, or those meeting our standards and specifications, will be between 45% and 85% of your total cost to establish a Storefront and between 25% and 50% of your total cost of operating a Storefront (not including amortization, depreciation, or replacement of worn or obsolete improvements, equipment, furniture, or fixtures).

Purchasing Cooperatives, Purchasing Arrangements, Rebates, Payments, and Derived Revenue

We do not have purchasing or distribution cooperatives as of the issuance date of this Franchise Disclosure Document. However, we do negotiate purchase arrangements with suppliers and distributors of approved products for use in the System. These arrangements may include negotiated pricing or other commercial terms applicable on a system-wide basis, but not arrangements negotiated on behalf of or for the specific benefit of individual franchisees.

We and our affiliates derive revenue or other material consideration from required purchases or leases by franchisees from approved suppliers. We and our affiliates may charge a reasonable markup on items that you are required to purchase from us or our affiliates. There are no caps or limitations on the maximum amount of payments we or our affiliates may receive from suppliers as a result of franchisee purchases.

Our designated suppliers make payments to us or our affiliates based on franchisee purchases, which generally range from approximately 0.25% to 18.66% on food and foodservice-related items and from approximately 0.7% to 30.15% on apparel. These payments may take the form of rebates, commissions, or other consideration. We do not provide franchisees with details or information regarding our arrangements with approved suppliers. We do not provide franchisees with material benefits, such as renewal rights, additional franchises, or other incentives, based on a franchisee's purchase of particular products or services or use of particular suppliers.

During the fiscal year ended December 31, 2025, our affiliate, CSD, derived \$38,610,600.92 from the sale of products and services to our and CMLS's franchisees, collectively. CSD also received rebates from suppliers in 2025 in the amount of \$178,130.80 for sales to franchisees in the CMLF and CMLS systems.

Our owners, Jim Tselikis, Sabin Lomac, and Barbara Corcoran, have an equity interest in us (the franchisor) and our affiliates (including CML and CSD), and we and our affiliates are approved suppliers. We do not provide material benefits, such as renewing or granting additional franchises to franchisees, based on their use of designated or approved suppliers.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

	Obligation	Section In Agreement	Item In FDD
a	Site Selection & Acquisition/Lease	Sections 3.1 – 3.6, and Addenda 1, 4, and 5 of the Franchise Agreement	Items 7, 8, 11, and 12
b	Pre-Opening Purchase/Leases	Sections 3.2 – 3.6, 9.2 – 9.5, 8.2, 11.1, 14.2 of the Franchise Agreement	Items 5, 7, 8, and 11
c	Site Development & Other Pre-Opening Requirements	Sections 3.2 – 3.7 of the Franchise Agreement	Items 7, 8, and 11
d	Initial & Ongoing Training	Sections 10.1 – 10.6 of the Franchise Agreement	Items 6, 7, and 11
e	Opening	Section 3.7 of the Franchise Agreement	Item 11
f	Fees	Article 6, Section 18.7 of the Franchise Agreement	Items 5, 6, and 7
g	Compliance With Standards And Policies/Operating Operations Manual	Articles 7, 8, and 9 of the Franchise Agreement	Items 8 and 11
h	Trademarks & Proprietary Information	Articles 7 & 9 of the Franchise Agreement	Items 11, 13, 14, and 16
i	Restrictions On Products/Services Offered	Sections 9.2, 9.3, 9.4, 9.5, 9.10, 9.13, 9.14, 9.15, 9.16, 9.18, & 9.20 of the Franchise Agreement	Items 8, 11, 12, and 16
j	Warranty & Customer Service Requirements	Sections 9.11 and 9.12 of the Franchise Agreement	Item 11
k	Territorial Development & Sales Quotas	Sections 2.1 and 9.23 of the Franchise Agreement	Item 12.

	Obligation	Section In Agreement	Item In FDD
I	Ongoing Product/Service Purchases	Sections 9.2, 9.3, 9.4, 9.5, 9.7, 9.10, 9.12, 9.13 & 9.20 of the Franchise Agreement	Items 6 and 8
m	Maintenance, Appearance And Remodeling Requirements	Sections 9.7 & 9.10 of the Franchise Agreement	Items 8, 11, 16, and 17
n	Insurance	Section 14.3 of the Franchise Agreement	Items 7 and 8
o	Advertising	Article 8 of the Franchise Agreement	Items 6, 7, 8, and 11
p	Indemnification	Section 14.1 of the Franchise Agreement	Item 6
q	Owner's Participation, Management, Staffing	Section 9.1 of the Franchise Agreement	Items 11 and 15
r	Records and Reports	Sections 6.5, 6.7, 6.8, Article 11, and Article 12 of the Franchise Agreement	Item 11
s	Inspections And Audits	Article 12 of the Franchise Agreement	Items 6 and 11
t	Transfer	Article 15 of the Franchise Agreement	Item 17
u	Renewal	Section 5.2 of the Franchise Agreement	Item 17
v	Post-Termination Obligations	Articles 16 & 18 of the Franchise Agreement	Item 17
w	Non-Competition Covenants	Article 16 of the Franchise Agreement; Exhibits G-2 and G-3	Items 15 and 17
x	Dispute Resolution	Article 19 of the Franchise Agreement.	Item 17
y	Liquidated Damages	Section 18.7 of the Franchise Agreement	Item 6
z	Guaranty	Section 4 of Addendum 2 to the Franchise Agreement	Item 15

ITEM 10

FINANCING

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

ITEM 11

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

Except as listed below, CML Storefront, LLC is not required to provide you with any assistance.

Pre-Opening Assistance. Prior to the opening of your Storefront, we will provide the following initial services:

1. We do not select the site for your Storefront, but we will not unreasonably withhold our acceptance of a site that meets our requirements. We must approve or disapprove your site within a reasonable time

after we receive from you notice of the site's location. We describe the site selection process later in this Item. (Franchise Agreement, Article 3)

2. If you lease the location for your Storefront, we will review your proposed lease and approve or reject it based on its adherence to our requirements. We will complete our review of your lease as soon as practicable, but in no event longer than fifteen (15) days after we receive it from you. (Franchise Agreement, Article 3)

3. Designate the Territory for your Storefront. (Franchise Agreement, Article 3)

4. Communicate with you and the approved suppliers for the initial design and fit-out of your Storefront, regarding our standards and specifications for the design, layout, appearance and equipment in your Storefront, as well as our approval or disapproval of the plans and specifications for your Storefront. (Franchise Agreement, Article 3)

5. We will provide training to you (and/or your managing owner) on the System, System guidelines, and operational and brand standards (the "Initial Training Program"). We will not train or assist in training your employees or independent contractors. You will be responsible for training your employees and independent contractors. You will be responsible for hiring, training, directing, scheduling, and supervising your employees and independent contractors in the day-to-day operations of your Storefront. We describe the Initial Training Program later in this Item. (Franchise Agreement, Article 10)

6. Loan to you, or provide you with electronic access to, one copy of the Operations Manual. We describe the Operations Manual later in this Item. (Franchise Agreement, Article 9)

7. Provide to you advertising, marketing, and promotional materials and support and assist you with your grand opening advertising campaign, which we describe later in this Item. We have the right to exclusively control all social media accounts that you use in connection with your Storefront, but we may permit you to control such accounts while you are in compliance with, and during the term of, your Franchise Agreement. (Franchise Agreement, Article 10)

8. Sell to you an initial order of supplies and inventory for your Storefront. We do not provide specifications for these items, but we will deliver them to you. (Franchise Agreement, Article 10)

Site Selection

We do not select the location of your Storefront. We do not own the premises or lease it to you. Finding a suitable location that conforms to local ordinances, building codes, and our guidelines is your responsibility. However, we will pay for a third party supplier to provide you with guidance regarding our standards for selecting a site, and you are required to obtain our approval for any site you choose.

You select the site of your Storefront within the Territory provided in the Franchise Agreement, working with our approved supplier (currently Real Estate Consultant Group). A typical site will be between 1,200 and 1,600 square feet (but could be larger or smaller, depending on site requirements) and be in a stand-alone building, space within an existing shopping center, or food court, preferably with a patio and street-side entry. We will either accept or reject the site in our sole discretion. If we accept a location submitted by you, we will enter it on Addendum 1 of your Franchise Agreement. Acceptance by us of a location is conditioned upon our determination, in our judgment, that the site that you have submitted for your Storefront is within your Territory and is a suitable site based upon criteria we establish from time to time. You must obtain our approval of a site no later than 4 months after you sign the Franchise Agreement. You

must have a fully-executed lease for a location that we have approved no later than six (6) months after you sign the Franchise Agreement.

We must determine that your proposed location meets or exceeds our standards, but our acceptance does not ensure that your Storefront will be profitable at the approved location. We will either accept or reject the site in our sole discretion. We evaluate each proposed site and accept or do not accept each one on a case-by-case basis. The factors that we consider to approve your site(s) include (but are not limited to) general location and neighborhood, demographics and population density; educational background of neighboring daytime and nighttime populations; estimates regarding future population growth; daytime population versus nighttime population; visibility; traffic patterns, access, and parking; size; physical characteristics of any existing buildings; median, mean, and per capita household income; lease terms; local competition; and proximity to businesses as well as density of business population.

We will approve or disapprove your proposed site within 30 days after you present the information described above to us. If you and we disagree about the proposed location, you must locate another acceptable site for your Storefront and repeat the process. If: (a) you and we cannot reasonably agree on a site within three (3) months of the Effective Date; (b) you fail to sign a lease for a location we have approved within six (6) months of the Effective Date; or (c) you fail to open and begin operating your Storefront within ten (10) months of the Effective Date, we have the right to terminate the Franchise Agreement. If we terminate the Franchise Agreement for one of these reasons, we will not refund any portion of the initial franchise fee you paid us. (Franchise Agreement, Article 3).

Time to Open.

We estimate that there will be an interval of time of three and eight months between the execution of the Franchise Agreement and the opening of your Storefront. The factors that may affect this length of time include obtaining a site; remodeling and decorating the Storefront; obtaining our approval of revisions to design plans that vary from our standard plans; time for obtaining permits; zoning and local ordinances; weather conditions; materials shortages; hiring as needed; obtaining financing arrangements; and delayed installation of equipment, fixtures, and signs.

We do not directly provide you equipment, signs, fixtures, or opening inventory or supplies, but will provide you with the names of our approved suppliers for those items as well as our written specifications for them. You are responsible for having all equipment, signs, fixtures, and inventory delivered to your Storefront. You must open your Storefront within ten (10) months after signing the Franchise Agreement. If you do not meet this deadline, we may require you to pay a delayed opening fee of \$10,000 per month, for up to three (3) months, which extends your opening deadline by the period covered by the fee. If you fail to pay the delayed opening fee when required, we may terminate the Franchise Agreement, and we will not refund any portion of the initial franchise fee or other fees paid. (Franchise Agreement, Article 3)

Post-Opening Obligations. During the operation of your Storefront, we will:

1. Make a representative reasonably available to provide you with individual assistance, by phone or through electronic means, during normal business hours. (Franchise Agreement, Article 10)
2. Provide you with specifications and standards, and provide general guidance through meetings, printed materials, and/or other media. (Franchise Agreement, Article 10)
3. During the time that immediately precedes and follows the opening of your Storefront, we will provide on-site assistance to you with your initial operations. If you ask for (and we agree to provide)

additional training, we will provide it to you for \$500 per day, plus our travel expenses. (Franchise Agreement, Article 10)

4. At your request (or if we require it in the case that you are performing below our System standards), provide you with additional training. We have the right to charge you our then-current fee as published in the Operations Manual (currently, \$500 per day). Also, you must reimburse us our reasonable travel, lodging, meals, and other expenses we incur if we conduct training away from our headquarters. If the training occurs at a place other than your Storefront, you must pay for your (and your employees' travel, lodging, meals, and other expenses. (Franchise Agreement, Article 10)

5. At your request, we will provide to you advertising and promotional materials that we have pre-approved for you to use in marketing your Storefront. You must pay us our costs for these items. (Franchise Agreement, Article 8).

6. Our affiliate will sell you lobster, seafood, soups, bread, proprietary packaging and paper goods, and other inventory items for your Storefront. (Franchise Agreement, Article 9).

Post-Opening Optional Assistance. During the operation of your Storefront, we may:

7. Conduct annual or other periodic conferences and/or meetings for all franchisees, managers, and other personnel. We have the right to require you and your Designated Manager to attend these conferences. We will charge you a fee for each person who attends the conference or meeting on your behalf (currently, \$300 per person). (Franchise Agreement, Article 10)

8. Advise you of operating problems found at your Storefront by disclosing them through reports submitted to or inspections made by us. We may furnish to you such guidance and assistance in connection with the operation of your Storefront as we deem appropriate. (Franchise Agreement, Article 10)

9. Institute, maintain and administer a central advertising account (the "Advertising Fund") for such advertising or public relations programs, as we, in our sole discretion, may deem appropriate to promote Storefronts locally, regionally, or nationally. We describe the Advertising Fund later in this Item. (Franchise Agreement, Article 8)

10. Coordinate the presence of the System on the Internet, including but not limited to e-commerce, website use, social media and networking sites, and cyberspace applications. This includes all national, regional, state, and local websites regarding Storefronts and our franchisees. We will have sole discretion and control over the design and contents of any website. For so long as you are not in default of the Franchise Agreement, we will list your Storefront location on our Internet website. We reserve the right to de-list or remove your Storefront from the website if you are not in compliance with the terms of the Franchise Agreement. We also have the right to control all use of social media and social networking sites by you that mentions or uses the Marks. (Franchise Agreement, Article 7)

11. Periodically make changes to the products that we authorize and require you to sell at your Storefront. (Franchise Agreement, Article 9)

12. Create a gift card, app, or other customer loyalty program. (Franchise Agreement, Article 9).

13. In our discretion, negotiate purchase agreements with approved suppliers to obtain discounted prices. (Franchise Agreement, Article 10)

14. If you do not resolve a dispute with a client, we may investigate the matter and resolve the dispute. (Franchise Agreement, Article 9)

15. We may provide you with minimum and maximum prices for the products and services you sell. You are required to follow all such pricing rules or guidelines, subject to Legal Requirements. (Franchise Agreement, Article 8).

There is no specified date or period for us to complete our obligations stated above. Other than those mentioned above, we do not provide other supervision, guidance, or services during the operation of your Storefront.

Advertising

Other than our obligation to administer and spend the Advertising Fund as discussed below, we do not have any obligation to conduct advertising or spend any particular amounts on advertising in any franchisee's territory.

Grand Opening Advertising

In connection with your grand opening, you must spend a minimum of between \$1,000 and \$2,500 on local advertising and promotion, which fee will be separate from and in addition to the other marketing fees and requirements described in this Item 11. We will provide you with guidance for conducting grand opening advertising, and we will review and approve the materials you use in your grand opening advertising. (Franchise Agreement, Section 8.2)

Local Advertising

We require you to spend four hundred dollars (\$400) per month on your local advertising and marketing efforts. All your advertising, promotion, and marketing must be completely clear, factual, and not misleading, and must conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we periodically require. Before you use them, you must send us or our designated agency, for review, samples of all advertising, promotional, and marketing materials that we have not prepared or previously approved. If you do not receive written disapproval from us within fifteen (15) days after we receive the materials from you, you must resubmit them to us. If you do not receive a written response from us within seven (7) days of the day you resubmit them to us, they are deemed to be approved. You may not use any advertising, promotional, or marketing materials that we have not approved or that we have disapproved (Franchise Agreement, Article 8.2).

Advertising Fund

We and CMLF have a shared fund for marketing the System, the Marks, and Food Trucks (the "Advertising Fund"). You must contribute to the Advertising Fund monthly (or other period we designate) a continuing "Advertising Fund Contribution" in an amount we designate, up to two percent (2%) of your monthly Gross Sales. The fees you pay to the Advertising Fund are not refundable.

Your contribution to the Advertising Fund will be in addition to all other advertising requirements set out in this Item 11. Each franchisee will be required to contribute to the Advertising Fund, but certain franchisees may contribute on a different basis depending on when they signed their Franchise Agreement. Storefronts owned by us will contribute to the Advertising Fund on the same basis as franchisees.

The Advertising Fund will be administered by us, our affiliate, or designees, at our discretion. We may use a professional advertising agency or media buyer to assist us. The Advertising Fund may be commingled with our operating account and may not be in a separate bank account, commercial account or savings account.

We have complete discretion on how the Advertising Fund will be utilized, except that we must use the money in the Advertising Fund for marketing and advertising the Marks and System. We may use any media for disseminating Advertising Fund advertisements, including direct mail, print ads, the Internet, radio, billboards, and television. We may reimburse ourselves, our authorized representatives or our affiliates from the Advertising Fund for administrative costs, independent audits, reasonable accounting, bookkeeping, reporting and legal expenses, taxes and all other direct or indirect expenses associated with the programs funded by the Advertising Fund. We do not guarantee that advertising expenditures from the Advertising Fund will benefit you or any other franchisee directly or on a pro rata basis, and there is no requirement that any expenditures must be spent within your territory or the territory of any specific franchisee. We will not use the Advertising Fund contributions for advertising that is principally a solicitation for the sale of franchises, but we reserve the right to include a notation in any advertisement or website indicating “Franchises Available” or similar phrasing.

We assume no fiduciary duty to you or other direct or indirect liability or obligation to collect amounts due to the Advertising Fund or to maintain, direct or administer the Advertising Fund. Any unused funds that were collected in any calendar year will (in our sole discretion) either be refunded or applied to the following year’s funds, and we reserve the right to contribute or loan additional funds to the Advertising Fund on any terms we deem reasonable. We are not required to spend any amount on advertising in the area of your Storefront or your Territory.

The Advertising Fund is not audited. Upon your written request (which must be at least 90 days after the end of the previous fiscal year) we will provide to you an annual accounting for the Advertising Fund that shows how the Advertising Fund proceeds were spent during the previous year. (Franchise Agreement, Sections 8.3 – 8.5).

We and CMLS collected a combined total \$576,959.78 in Advertising Fees during our fiscal year ended December 31, 2025. Our and CMLS’s expenditures (itemized below) combined total of \$1,613,820.29 during our fiscal year ended December 31, 2025.

Administrative	\$19,565.52
Amazon Web Services	\$6,516.07
Apparel Giveaways	\$12,725.43
Employee Wages	\$629,089.07
Google Advertising/Email	\$12,398.36
Photography	\$25,054.72
Public Relations	\$150,988.76
Rebates/Incentives	\$196,094.11
Mobile App/Loyalty Plan	\$125.00
Shared Insight	\$35,562.00
Social Media & Marketing	\$288,857.80
Social Media Giveaways/Contests	\$23,864.95
Travel & Lodging	\$77,441.12
Video Production	\$14,055.26

Website Updates	\$98,307.19
Yelp	\$23,174.93
	\$1,613,820.29

Cooperatives

In our discretion, we may designate geographic areas for the establishment of Cooperatives. We have the right to require you to pay an amount we designate up to four hundred dollars (\$400) on a monthly basis. If your Storefront is within one of these geographic areas, you must become a member of the Cooperative. You need not join more than one Cooperative for the same Franchised Storefront. All Storefronts (including Storefronts owned by us or our affiliates) must become members in any Cooperatives that we establish for geographic regions in which they own locations. Your Cooperative contribution will be credited towards your local advertising requirement.

Each Cooperative will be organized and governed in a form and manner that we approve, and we reserve the right to change the way that the Cooperatives are organized and governed in our sole discretion. We reserve the right to administer the fund, or to have an advertising agency do so. We have the right to examine the books, records, and accounts of the Cooperative and to audit the Cooperative. Each Cooperative must prepare annual financial statements and submit them to us. The statements will be made available to you for your review.

We require that each Cooperative governs from written organizing documents. As of the date of this Disclosure Document, no Cooperative has been formed and no governing documents are available for you to review. No changes to the organizing documents are permitted without our advance written approval.

We, in our sole and absolute discretion, have the right to require any Cooperative to be formed, or have the governing documents changed. We also have the right to require that any Cooperative dissolve or merge into another Cooperative. (Franchise Agreement, Section 8.11).

Advertising Council

We do not have an advertising council comprised of franchisees, but we reserve the right to create one.

POS System and Technology Requirements

You must purchase and use in your Storefront a POS System meeting our requirements from our approved vendor(s). The POS System can consist of items such as, but not limited to, the following sort of items: iPads or comparable tablets/devices for both staff & customer use for taking and completing orders, cash drawers, credit card swipes, receipt and kitchen printers, kitchen display screens and management equipment, Self check-out Kiosk Equipment, QR Code Scanners, networking equipment (such as routers, access points, cabling, and more) stands, mounts, and accompanying software and internet/data subscriptions to power the hardware. You must purchase and use in your Storefront a Digital Signage System meeting our requirements from our approved vendor(s). The Digital Signage System can consist of items such as, but not limited to, the following sort of items: Smart Signage Display monitors, networking equipment (such as cellular routers, ethernet switches, cellular antennas, mounts, cabling, and more) and accompanying software and internet/data subscriptions to power the hardware. Your digital signage system will display our branded marketing & menu content.

The POS System will generate reports on the sales and expenses of your Storefront and will automate certain of your administrative functions. We will have independent access to the information generated and

stored in the POS System. We will have independent access to remotely managing your Digital Signage System content per our discretion. From time to time, we may update designs or materials which may incur added costs for design and customization.

You must purchase a VOIP or landline-based phone system from our approved vendor(s), capable of receiving and holding calls, and featuring call waiting and voicemail capabilities. This phone system will consist of phone hardware, networking equipment, and accompanying software subscriptions to power the hardware. You must purchase supplemental support hardware and software for the daily management of your business. These items include a home computer (laptop or desktop) with accompanying software (including, but not limited to, a browser, Office Management Suite such as Microsoft Office or GSuite, that allow for viewing of PDF and image files, and the viewing and editing of Word Docs, spreadsheets, powerpoints, etc., a smartphone with data plan, a home modem with internet/data (cable, DSL, satellite, Fiber, etc.). You must purchase a subscription for our Mobile App that covers your establishment(s). Our mobile app is a software-as-a-service solution. At times, added hardware may be necessary with new app features.

We estimate that the cost of purchasing the POS System will be between \$8,350 and \$23,800. You will be responsible for upgrading or updating the POS System during the term of the franchise agreement as needed, to ensure the system adheres to the most current software versions and software license terms, and PCI compliance needs. Neither we, nor any affiliate or third party, will be obligated to provide ongoing maintenance, repairs, upgrades or updates for the POS System. We reserve the right to require you to upgrade or update the POS System at any time. There are no contractual limitations on the frequency and cost of this obligation, except that we will not require you to make any changes, modifications, or upgrades to the POS System that are not also made by Storefronts owned by us or our affiliates.

We anticipate that the annual cost of maintenance for the POS System and digital menu boards will be between \$5,000 and \$8,000. We need not reimburse you for any of these costs. We or our affiliates may condition any license of proprietary software to you, or your use of technology that we or our affiliates develop and maintain, on your signing of a software license agreement or similar document that we or our affiliates prescribe to regulate your use of, and our and your respective rights concerning, the software or technology. You are required to use the POS System to record all sales at your Storefront. There are no limitations on the type of information we can access, or the times or frequency of when we access such information. No compatible equivalent component or program has been approved by us. (Franchise Agreement, Article 11).

Mobile App

We will provide you with access to the Cousins Maine Lobster® mobile application (“CML Mobile App”), which is currently compatible with Android™ and iOS® devices and available for download on the Apple App Store® and Google Play™ Store. The CML App is a multi-faceted software solution that is comprised of a customer facing loyalty program, mobile & contactless ordering, to-location navigation and added marketing capabilities. The CML Mobile App is a software-as-a-service program is currently provided by our designated supplier. You are required to enable the CML Mobile App service upon opening. To do so, you will be required to purchase additional equipment and will also be required to carry a monthly subscription for each applicable unit you operate at our then-current monthly subscription fee (currently \$250 per month). You will be required to purchase at least one iPad (estimated cost of \$350). (Franchise Agreement, Sections 9.15 and 11.1).

We will have access to all information processed through the CML Mobile App and there are no limitations on the type of information we can access, or the times or frequency of when we access such information.

Operations Manual

We will loan you one copy of the Operations Manual after you sign the Franchise Agreement. The purpose of the Operations Manual is to communicate to you and our other franchisees both our requirements and our suggestions for the operations of your Storefront, so that customers of the System have a uniform and quality experience across Storefront locations. The Operations Manual is not intended to mandate how you handle employment issues with your employees, except to the extent that their conduct has a direct bearing on the System or the Marks. We may modify or update our System standards, policies, procedures, marketing programs, and requirements from time to time, including those reflected in the Operations Manual and our advertising and online policies. Any such updates will not change the fundamental legal relationship between you and us or the fee structures expressly set forth in the Franchise Agreement.

We may modify the Operations Manual at any time. Its total number of pages is 415. The number of pages devoted to each topic is reflected in the Table of Contents. We will notify you if there are any changes made to the policies or procedures so that you can comply. You must update your copy of the Operations Manual, as instructed by us. We disclose the Table of Contents to the Operations Manual as Exhibit D to this Franchise Disclosure Document. (Franchise Agreement, Article 9).

Initial Training Program

We provide a tuition-free initial Cousins Maine Lobster training program, which includes orientation to the System, customer service, operational management, financial management, computer software use (including the CML Mobile App), advertising, and marketing; and reporting procedures. The training lasts up to 10 to 12 days or less, depending on your existing experience level. It is currently held at our Los Angeles, California, Nashville, Tennessee, or Portland, Maine locations, but we may hold the training at one of our other locations in the future.

Training is not scheduled on a regular basis but will be offered to you before the opening of the franchised business, except for the Maine Product Education, which will be held before the opening of the franchised business or within 6 months of franchised business' opening, as season permits. You and your Designated Manager must attend and successfully complete to our satisfaction the initial training 30 days before the opening of the franchised business, except for the Maine Product Education, which must be successfully completed within 6 months of franchised business' opening, as season permits. If you and your Designated Manager do not complete the training to our reasonable satisfaction, we have the right to terminate the Franchise Agreement without refunding any money to you. You must pay for all travel, lodging, and other costs of initial training attendance. Thereafter, we may charge a fee for attendance of the initial training for new and replacement managers. If your Designated Manager is terminated, resigns, or no longer approved by us, your replacement Designated Manager must attend our training program within fifteen (15) days of the termination, resignation, or withdrawal of approval. Our current fee for a replacement and new managers is \$300 per attendee.

Training will focus on training for your owners and managerial staff. You will be responsible for training your employees and independent contractors. You will be responsible for hiring, training, directing, scheduling, and supervising your employees and independent contractors in the day-to-day operations of the Business.

We plan to provide the training listed in the table below. The hours presented for each subject are estimates, as our training program continues to evolve. This training schedule is fully detailed in the Operations Manual and will change from time to time. (Franchise Agreement, Articles 9 and 10).

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Finding a Location	2	0	Nashville, Tennessee; Portland, Maine; or other location
Accounting & Insurance	2	0	Nashville, Tennessee; Portland, Maine; or other location
Your Site: Design & Equipment	10	2	Nashville, Tennessee; Portland, Maine; or other location
Signage	2	2	Nashville, Tennessee; Portland, Maine; or other location
Preparing to Open	14	45	Nashville, Tennessee; Portland, Maine; or other location
Personnel Training and Customer Services	5	12	Nashville, Tennessee; Portland, Maine; or other location
Items Offered for Sale	3	0	Nashville, Tennessee; Portland, Maine; or other location
Preparation of Products	5	16	Nashville, Tennessee; Portland, Maine; or other location
Paperwork & Controls	3	0	Nashville, Tennessee; Portland, Maine; or other location
Evaluation & Compliance	2	2	Nashville, Tennessee; Portland, Maine; or other location
Cleaning & Maintenance	5	9	Nashville, Tennessee; Portland, Maine; or other location
Security & Safety	1	1	Nashville, Tennessee; Portland, Maine; or other location
Promoting & Marketing	8	3	Nashville, Tennessee; Portland, Maine; or other location

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Lobster Industry Education to include time on water and visit to processing and distribution centers	4	10	Nashville, Tennessee; Portland, Maine; or other location
Maine Product Education	8	14	Nashville, Tennessee; Portland, Maine; or other location
Total	74 Hours	116 Hours	

The instructional materials used for all topics of training will consist of the Operations Manual and videos, scripts, and PowerPoint presentations.

Our Trainers

Below is a list of our trainers as of the issuance date of this Franchise Disclosure Document. The identities of these employees may change as we may replace any or all of our trainers with qualified replacements. If a replacement trainer is used for training purposes, they will have adequate training and qualifications to provide all necessary training to your owners and managerial staff. Further, certain of our other employees may consult with you regarding various issues (like social media, legal, and the like) or conduct check-in calls with you during your opening or pre-opening period.

Jim Tselikis is our Owner and is a trainer for various training topics. Jim has operated Storefronts and other Cousins Maine Lobster® businesses since the inception of our affiliate, CML, in November 2011.

Sabin Lomac is our Owner and is a trainer for various training topics. Sabin has operated Storefronts and other Cousins Maine Lobster® businesses since the inception of our affiliate, CML, in November 2011.

Shaun Higgins is our and CMLF's President and is a trainer for all training topics. He has worked with Cousins Maine Lobster® businesses since August 2014.

Jameson Lyons is our and CMLF's Vice President of Branding and Innovation since August 2022, and is a trainer for various training topics. Jameson has been with us and CMLF since 2017 in roles including Executive Assistant and Brand and Project Manager.

Mike Carmody is our and CMLF's Vice President of Operations and is a trainer for all training topics. He has worked with Cousins Maine Lobster® businesses since 2017.

Allison Pillar is our and CMLF's Director of Compliance since 2023 and is a trainer for all training topics. From May 2021 to 2023, Allison was our (and CMLF's) Training and Compliance Manager. Allison has worked with both us and CMLF since 2017, working in a management role in company-owned Storefronts and Storefronts.

Rich Pillar is our Compliance and Training Manager and is a trainer for all training topics. He has worked with both us and CMLF since 2021, training franchisees in the operation of their franchises and on brand standards.

Other Training

In the event you are not operating your Storefront according to the Operations Manual, we have the right to require you and your staff to attend additional training, which will occur (at our option) either at your Storefront, Commissary, and Prep-Kitchen or at a Storefront and Commissary and Prep-Kitchen we operate. You may also request additional training, which we will provide at our option and subject to our availability. We have the right to charge you our then-current fee as published in the Operations Manual (currently, \$500 per day). Also, you must reimburse us our reasonable travel, lodging, meals, and other expenses we incur if we conduct training away from our headquarters. If the training occurs at a place other than your Storefront, you must pay for your (and your employees' travel, lodging, meals, and other expenses.

You and you Designated Manager, must attend and satisfactorily complete various training courses that we periodically provide at the times and locations we designate. Besides attending these courses, you must attend an annual meeting of all franchisees at a location we designate. You are responsible for all related travel and living expenses and wages.

ITEM 12

TERRITORY

Your Franchise Agreement grants you a limited territory (the "Territory") identified in Addendum 1 to the Franchise Agreement. Your Territory is exclusive only with respect to the operation of other Cousins Maine Lobster®-branded Storefronts under the Marks. Except for this limited exclusivity, you do not receive any exclusive or protected territory, and we retain all other rights within and outside the Territory including with respect to Affiliate-operated Storefront concepts and other Cousins brands, as described below. You are required to operate your Storefront exclusively within the Territory (with the exception of time-limited pop-ups). We may, under some circumstances, permit you to advertise and conduct business at time-limited pop-up events or locations outside of your Territory, but only if you do so following our rules. Any such approval is temporary, does not grant you any priority, right of first refusal, or other territorial rights, and may be revoked at any time in our sole discretion.

Your Territory will be an area consisting of the lesser of: (i) approximately a population of 50,000 people; or (ii) a 5-mile radius. In determining the total population within your Territory, we generally consult the United States Census estimate, available via the Internet website located at quickfacts.census.gov.

You will operate your Storefront from one location and must receive our permission before relocating. We will charge you a relocation fee of \$10,000 in connection with our review of your relocation request. If you seek to relocate to a location that is outside of your Territory, we reserve the right not to approve any such relocation, and we will not consent to your relocation if it is within another franchisee's Territory.

Except when you do so in connection with a temporary pop-up event or location that we have approved, you may not distribute advertising or promotional materials (including coupons, circulars, or other approved forms of advertising) outside your Territory. Other Cousins Maine Lobster® Storefronts are similarly restricted from advertising within your Territory. Cousins Maine Lobster® Food Truck locations, however, may be permitted to advertise within your Territory. You may not use alternative distribution or sales channels—such as the Internet, catalog sales, telemarketing, or direct marketing—to make sales outside your Territory. If you wish to provide catering or pop-up services within your Territory, you must first obtain our approval. If a customer, venue, or event could reasonably be serviced by both your Storefront and a Cousins Maine Lobster® Food Truck, we may, in our sole discretion, approve either you or the Food Truck to provide those services, based on our then-current policies or other operational considerations. Any such approval is event-specific and does not grant ongoing or exclusive rights.

You may use, reference, or promote your Storefront on social media platforms, but only with our approval and in compliance with our policies. You are not permitted to have an individual website for your Storefront. However, we will list your Storefront on our System Internet website, and you may be given the opportunity to add content to that site, provided you comply with the Franchise Agreement.

Upon renewal, acquisition of a successor franchise, or transfer of your franchise, your Territory may be modified. Based on current demographics and our standards for territories, if your Territory exceeds our current standard size, you or the transferee may be required to accept a smaller successor or transfer territory.

Your Territory will not be altered during the initial term of the Agreement due to population changes. We reserve the right to terminate or reduce the size of your Territory if you default under the Franchise Agreement, including failing to maintain our standards, failing to pay for food received from our Affiliate, or failing to pay royalties and other fees when due. There are no other circumstances under which we will modify your territorial rights. There are no other circumstances under which we will modify your territorial rights except as expressly described in the Franchise Agreement. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. Below are the exceptions that make the territory non-exclusive as defined by disclosure guidelines.

Limitations and Exceptions to Territorial Rights

Except for the limited exclusivity described above, we and our affiliates retain the unrestricted right to conduct and authorize business activities within the Territory, including activities that may be the same as, similar to, or competitive with your Storefront. Without limitation, these rights include:

- (1) The right to establish, operate, or license others to establish and operate Cousins Maine Lobster® Food Trucks, and to permit such Food Trucks to: (a) operate within your Territory, except for the area that is within one-half (½) mile of your Storefront; and (b) locate, establish, and operate commissary or prep-kitchen sites in your Territory.
- (2) The right to establish, operate, or license others to establish and operate Storefronts or Food Trucks under the Marks at Non-Traditional Locations within the Territory. “Non-Traditional Locations” include locations such as transportation facilities (including airports, rail or bus terminals, toll road plazas, and highway rest stops), ports of call, arenas or stadiums, urban office buildings, convention centers, social clubs, retirement or senior-living facilities, special-use or institutional feeding facilities, government or military facilities, shopping malls, educational facilities, casinos, hotels, vacation clubs or timeshares, resort properties, amusement parks, and amusement centers.
- (3) The right to establish, operate, or license others to establish and operate facilities, kiosks, outlets, food trucks, mobile units, or internet-based businesses under trademarks or names other than the Marks, including concepts that are not Cousins Maine Lobster®-branded Storefronts, whether inside or outside the Territory.
- (4) The right to provide, offer, sell, distribute, and license others to provide, offer, sell, or distribute Cousins Maine Lobster®-branded products, whether prepared or packaged, that are identical to, similar to, or competitive with those offered by Storefronts, through alternative or non-traditional channels of distribution, including without limitation grocery stores, retail outlets, specialty food

retailers, and through existing non-Cousins Maine Lobster®-branded restaurants or foodservice locations (including hotels, resorts, casinos, and similar venues), whether inside or outside the Territory, and whether under the Marks or other trademarks, and on such terms and conditions as we determine.

(5) The right to sell products or services using the Marks to customers located within the Territory, so long as those products or services are not sold at or provided from a Storefront. This includes the right to permit Food Trucks or other Storefronts, whether operated by us, our Affiliates, or franchisees, located within the Territory to provide catering services to customers in the Territory.

(6) The right to solicit, negotiate, and service Special Accounts within the Territory and determine whether those services will be performed by you, another franchisee, an affiliate, or a third party, as described in the Franchise Agreement.

(7) The right to acquire the assets or ownership interests of businesses that provide products or services similar to those offered by Storefronts, and to franchise, license, or otherwise operate those businesses following acquisition, wherever those businesses (or their franchisees or licensees) are located or operating, including within the Territory. We also retain the right to be acquired, whether through an acquisition of assets, ownership interests, or otherwise, by another business, including a business that operates, franchises, or licenses concepts that compete with Storefronts within the Territory. We will not rebrand any such competing businesses operating within the Territory to operate under the Marks.

Without limitation, our affiliates, including Cousins Fried Seafood, LLC, may own, operate, franchise, license, or otherwise authorize foodservice or retail operations (including Storefront-based concepts) within the Territory, whether or not such operations use the Marks, and whether such operations are similar to or competitive with your Storefront.

We are not required to compensate you if we exercise any of the rights described above within the Territory.

Special Accounts

We retain the exclusive right to solicit, negotiate, enter into, and administer agreements with “Special Accounts” anywhere, including within your Territory. A “Special Account” generally refers to a customer whose facilities, operations, or purchasing decisions are not confined to the territory of a single Cousins Maine Lobster® Storefront.

We control billing, collections, and customer payment arrangements for Special Accounts. If services are provided to a Special Account within your Territory, we will bill and collect all amounts due from the Special Account. If we permit you to perform services for a Special Account, you will be paid the applicable amounts after deduction of royalties, advertising contributions, and any other amounts you owe under the Franchise Agreement. All revenue derived from Special Accounts is included in your Gross Sales for purposes of calculating royalties and other fees, regardless of whether the services are performed by you, another franchisee, an affiliate, or a third party. You will not receive compensation for Special Account services performed by others unless we expressly agree otherwise in writing.

If you decline the opportunity to service a Special Account within your Territory, or if a Special Account reasonably requests that services be provided by someone other than you, we may fulfill the Special Account relationship in any manner we determine, including through another franchisee, an affiliate, or a third-party provider, without compensation to you.

Right of First Refusal

You will not have the right of first refusal to acquire additional franchises within your Territory. We do not customarily grant to franchise owners options, rights of first refusal or similar rights to acquire additional franchises outside of their respective territories.

If you do wish to purchase additional franchises from us or CMLF, as a condition of such purchase we will require you to sign a general release of claims in favor of us, CMLF, our respective affiliates, officers, owners, directors, agents, and employees.

Other Franchise Systems

As described above, our affiliate CMLF has the right to franchise and operate mobile food trucks under the Cousins Maine Lobster® trademarks, including at non-traditional locations. Our affiliate CFS has the right to franchise and operate restaurants and mobile food trucks under the Cousins Fried Seafood™ trademarks, including at non-traditional locations. Except for the Cousins Maine Lobster® franchise systems operated by CMLF and CFS, neither we nor our affiliates currently operate or franchise other businesses that sell or lease products or services similar to those offered by Storefronts under different trademarks.

ITEM 13

TRADEMARKS

Under the Franchise Agreement, we grant you the nonexclusive right to use our Marks in connection with the operation of your Storefront. You may also use our other current or future trademarks to operate the Storefront. We have registered the following marks on the Principal Register of the U.S. Patent and Trademark Office (“USPTO”):

Trademark	Registration Number Registration Date	International Class of Goods
COUSINS MAINE LOBSTER (Word Mark)	4365726 July 9, 2013	29, 31
COUSINS MAINE LOBSTER (Word Mark)	5495260 June 19, 2018	43

We have filed all required affidavits relating to the registered Marks shown above.

All Marks are owned by our affiliate, CML, which has granted to us, under license (the “Intellectual Property License”), the right to use and franchise the Marks and associated trade names, trademarks, service marks, logotypes and other commercial symbols and copyrights and proprietary materials in the United States by and to operators of Storefronts. The Intellectual Property License does not contain any significant limitations on our right to use or license the Marks to you, and will continue until terminated, which can only occur upon our dissolution. Upon such event, you may lose your right to use the Marks. Except as described above, no currently effective agreements significantly limit our rights to use or license the use of the Marks.

No currently effective agreements significantly limit our rights to use or license the use of the Marks. There are presently no effective determinations by the United States Patent and Trademark Office, the Trademark Trial And Appeal Board, the Trademark Administrator of any state or any court, nor any pending

interference, opposition or cancellation proceeding or material litigation involving the Marks. We are unaware of any infringing uses that could materially affect your use of our Marks.

You will have the right to use all our Marks in the operation of your Storefront. However, you must use the Marks only for the operation of your Storefront and in the manner authorized by us. You cannot use the names or Marks as part of a corporate name or with modifying words, designs or symbols except for those which we license to you. You may not use our Marks in connection with the sale of unauthorized goods or services, or in a manner not authorized in writing by us.

You must notify us immediately in writing of any apparent infringement or challenge to your use of our trademarks. We have the sole discretion to take such action as we deem appropriate. We are not obligated by the Franchise Agreement or other agreement to participate in your defense or to indemnify you if you are a party to any administrative or judicial proceeding involving our Marks. We will have sole control over any litigation or proceeding.

You may not, without our written consent, in our sole discretion, commence or prosecute, or seek leave to intervene in any litigation or other proceeding, including any arbitration proceeding, in which you purport to enforce any right or recover any element of damage arising from the use or infringement of any of the Marks or unfair competition resulting from that use.

If it becomes advisable at any time, in our sole discretion, to modify or discontinue use of any Marks, and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions for such modification, discontinuance, or substitution within a reasonable time after you receive notice from us. You, in connection with the use of a new or modified mark, may be required, at your own expense, to remove existing signs from your Storefront, and to purchase and install new signs. We do not have to reimburse you for the costs you incur for making these changes.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights

No patents are material to the franchise.

We claim copyright protection of the Operations Manual and related materials and other brand identity/marketing/advertisement/promotional materials, although such materials may not have been registered with the United States Copyright Office. These materials are considered proprietary and confidential and are considered our property and may be used by you only as provided in the Franchise Agreement. We reserve the right to register any of our copyrighted materials at any time we deem appropriate.

There currently are no effective determinations of the Copyright Office (Library of Congress), or any court regarding any of the copyrighted materials. There are no agreements in effect that significantly limit our right to use or license the copyrighted materials. There are no infringing uses actually known to us, which could materially affect your use of the copyrighted materials in any state. We are not required by any agreement to protect or defend any patent, trademark, or copyright.

Improvements

If you or your employees create or acquire any improvements, enhancements, adaptations, derivative works, modifications, or new processes relating to the operation of your Storefront (collectively, “Improvements”), you grant to us all rights in those Improvements without additional consideration. All Improvements will be deemed our sole and exclusive property, part of the System, and works made for hire. We may incorporate Improvements into the System and make them available for use by us, our affiliates, and other franchisees. You may not make any modification or derivative work without our prior written consent.

Confidential Information

We possess confidential information relating to the operation and franchising of the System, including methods, techniques, procedures, specifications, systems, and operational know how (“Confidential Information”). We will disclose certain Confidential Information to you during training, through the Operations Manual, and in guidance provided during the term of the Franchise Agreement.

You do not acquire any ownership interest in the Confidential Information and may use it only in connection with the operation of your Storefront during the term of the Franchise Agreement. You are required to maintain the confidentiality of the Confidential Information during and after the term, not use it in any other business or capacity, not make unauthorized copies, and to implement reasonable measures required by us to prevent unauthorized disclosure, including restricting access by your employees.

The Operations Manual will remain our exclusive property at all times. We may revise the Operations Manual from time to time, and you must comply with new or revised standards, provided that such changes do not materially alter your rights or obligations under the Franchise Agreement.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Your Storefront must at all times be under your direct, day-to-day, full-time supervision. If you are a legal entity, you must have a Designated Manager, approved by us. Your Designated Manager does not need to hold an equity interest in you. Your Designated Manager will be required to attend and successfully complete our initial training program. If your Designated Manager is unable to complete (or pass) our initial training program, we will require you to designate an alternative Designated Manager that must attend and pass the initial training program. Your Designated Manager must use his or her best efforts in the operation of your Storefront.

If you are a legal entity, then all your directors, members, partners, and/or officers and any individual that owns an interest in you or the Franchise Agreement must sign our Owner Agreement assuming and agreeing to be personally responsible for all of the obligations of the Franchise Agreement, and agree to be bound by the confidentiality provisions and non-competition provisions of the Franchise Agreement and agree to certain restrictions on their ownership interests. The required Owner Agreement is attached to the Franchise Agreement as Addendum 2. If you are married, we require your spouse to sign the Owner Agreement. You also must ensure that your Designated Manager and any of your employees that have access to our trade secrets and confidential information each sign the Sample System Protection Agreement (Exhibit G-2), and you must forward a copy of these signed agreements to us.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may offer for sale only those products and services that we approve and specify in the Operations Manual, as it may be amended from time to time. You must offer all products and services that we designate as required. You may not offer any other products or services without our prior written approval, and you may not use your Storefront for any purpose other than operating a Cousins Maine Lobster® Storefront and selling approved products and services. There are no limits on our ability to change the products or services that we require or permit you to sell.

You may not sell products or services to customers located within another franchisee's protected territory, and you may not sell products or services from or at any location other than your Storefront. You may not sell products or services through alternative channels of distribution, including wholesale, Internet, or mail-order sales. We may, but are not required to, approve you to provide catering or delivery services. If approved, you may provide those services only within the service area and under the conditions that we authorize. You may not establish or participate in any website, social media account, or social networking platform that references the franchise, us, or any of our affiliates without our prior written approval and compliance with our online and social media policies.

If permitted by applicable law, we may require you to participate in gift card programs, loyalty programs, rewards programs, or similar customer marketing initiatives in accordance with our policies. Participation may require you to purchase additional equipment and pay related fees. If we establish such programs, we may determine how amounts are allocated or accounted for, and we may retain the value of any unredeemed gift cards or rewards. Loyalty points earned at one Storefront or storefront location may be redeemed at other Storefronts or Food Trucks.

We currently administer rewards programs and other promotional initiatives through the CML Mobile App, and you must participate in and comply with any programs we implement through the CML Mobile App or other platforms we designate. You are responsible for purchasing any required equipment or technology necessary to support these programs.

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.

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	Section 5.1	Agreement starts on the date it is signed and ends 10 years after the date you open your Storefront for business.
b. Renewal or extension of the term	Section 5.2	You are permitted to acquire an additional term of 5 years if you meet the requirements listed in Article 5 of the Franchise Agreement
c. Requirements for franchisee to renew or extend	Section 5.2	Advance written notice, not less than 6 months or more than 9 months, to renew; sign most current form of Franchise Agreement which may contain substantially different terms and conditions than your current

Provision	Section in Franchise Agreement	Summary
		Franchise Agreement, including a smaller geographic Territory; each of your owners must execute a general release in the then-current form; you cannot be in default of any provision of the Franchise Agreement and not have committed two or more breaches of the Franchise Agreement during any 12-month period during the term; have the right to continue to occupy your approved location or move to a different location we approve; you must remodel your Storefront and reimburse us for our costs to inspect it; prove that you have all current licenses, insurance, and permits; have fully performed your obligations under the Franchise Agreement, including obligation to be current in payment of all monetary obligations to us, and; be in compliance with our then-current training requirements; and pay our successor agreement fee of ten thousand dollars (\$10,000). If you seek to acquire a successor franchise at the expiration of the initial term or any renewal term, you may be asked to sign a new franchise agreement that contains terms and conditions materially different from those in your previous franchise agreement, such as different fee requirements and territorial rights.
d. Termination by franchisee	Section 17.6	Subject to state law, you may terminate the Franchise Agreement by notice to us if we fail to perform material obligations. You must give us notice, and 60 days to cure or commence cure.
e. Termination by franchisor without cause	Not applicable.	Not applicable.
f. Termination by franchisor with cause	Section 17.1 – 17.3	We can terminate the Franchise Agreement, automatically or by notice to you, with or without a cure period, if you breach a material provision of the Franchise Agreement.
g. “Cause” defined – curable defaults	Sections 17.2 and 17.3	You have 14 days after notice to cure breaches relating to your: (a) failure to obtain or maintain required insurance coverage; (b) employees or independent contractors failure to obtain and maintain any permit or license necessary for operating your Storefront; (c) owners engaging in a dispute with one another (deadlock) that materially affects the operation of your Storefront, which dispute or deadlock remains unresolved after the expiration of the 30-day cure period; (d) failure to resolve customer complaints and/or disputes in a timely manner. You will have five (5) days to cure a breach for failure to pay amounts you owe us or our Affiliates, or for your failure to make a timely payment of any amount due to a supplier unaffiliated with us (other than payments which are subject to a bona fide dispute). You will have forty-eight (48) hours to cure a breach for selling unapproved products or services (other than seafood or lobster, soups, bread, or proprietary packaging, in which case you will not have any opportunity to cure). You will have fourteen (14) days after notice to cure any breaches of the Franchise Agreement not listed in Sections 17.1, 17.2, or 17.3.
h. “Cause” defined – non-curable defaults	Sections 17.1 and 17.2	Your Franchise Agreement will terminate automatically, without any opportunity to cure, if you:

Provision	Section in Franchise Agreement	Summary
		(a) become insolvent, make a general assignment for the benefit of creditors, dissolve, or liquidate; (b) file a voluntary petition in bankruptcy, are adjudicated bankrupt or insolvent, or have an involuntary bankruptcy petition filed against you that is not timely opposed; (c) have a receiver, trustee, custodian, or similar official appointed over you, your Storefront, or your assets, or consent to such appointment; (d) become subject to proceedings for a composition with creditors under state or federal law; (e) have a final judgment of \$25,000 or more entered against you that remains unsatisfied or of record for thirty (30) days or longer; (f) have execution levied against your business or property, or have any real or personal property of the Franchised Business foreclosed upon or sold after levy. We may terminate the Franchise Agreement upon notice, without an opportunity to cure, if you: (g) fail to open your Storefront by the required opening date; (h) abandon the Storefront or fail to operate it for five (5) consecutive days, five (5) days in any calendar week, or twenty (20) days in any calendar month, except for reasons beyond your control; (i) or any of your owners, officers, directors, managers, or members are convicted of, or plead no contest to, a felony or other criminal misconduct relevant to the operation of the Storefront; (j) make an unauthorized transfer of the Franchised Business or have your lease terminated or canceled; (k) fail to comply with any material federal, state, or local law or regulation applicable to the operation of the Storefront; (l) receive two (2) or more notices of default under the Franchise Agreement within any twelve (12)-month period, regardless of whether those defaults are cured; (m) submit financial information on two (2) or more occasions that understates Gross Sales by more than two percent (2%), unless you demonstrate that the understatement resulted from inadvertent error; (n) make any material misrepresentation relating to the acquisition or operation of the franchise, including intentional understatement or failure to report revenue; (o) fail to permit or cooperate with audits or inspections; (p) violate any covenant relating to non-competition or Confidential Information; (q) interfere, or attempt to interfere, with our actual or prospective contractual relationships; (r) engage in any activity that has a material adverse effect on the System or the Marks; (s) offer or sell any unapproved seafood, soups, or bread; (t) challenge the validity of, misuse, or make any unauthorized disclosure, use, or duplication of the Marks or Confidential Information;

Provision	Section in Franchise Agreement	Summary
		(u) or any of your owners, officers, directors, managers, members, agents, or employees violate applicable U.S. anti-terrorism laws or make related misrepresentations; (v) have any affiliate breach any agreement with us or our affiliates, where the breach remains uncured after any applicable cure period; (w) advertise, offer, or sell products or services within the protected territory of another Cousins Maine Lobster® franchisee; or (x) fail to achieve the minimum required score on a System standards inspection two (2) or more times in any twenty-four (24)-month period.
i. Franchisee's obligations on termination/non-renewal	Articles 16 and 18	Upon termination you must cease operating as a Storefront, not compete with us, not divert customers, not use our confidential information, pay all sums due us, cease to use the Marks, assign the lease to us at our request, cancel any fictitious name which contains the Marks, turn over all Operations Manual, records, files and any materials relating to the operation of your Storefront, cancel or transfer all telephone numbers and directory listings to us, comply with all covenants, and pay us liquidated damages.
j. Assignment of contract by franchisor	Section 15.1	We may transfer all or any part of the System, the Franchise Agreement, or the Marks without your consent.
k. "Transfer" by franchisee – defined	Section 15.2	Includes transfer of contract, premises of your Storefront, assets, or change of any portion of your ownership (if you are a legal entity)
l. Franchisor approval of transfer by franchisee	Section 15.3	You cannot transfer the Franchise Agreement without our consent.
m. Conditions for franchisor approval of transfer	Section 15.3	We have the right to condition our approval of any transfer proposed by you upon the following: (a) You must be in full compliance with the Franchise Agreement and pay all outstanding fees owed to us or our its affiliates; (b) We must have declined our right of first refusal; (c) Your transferee must complete and submit all applications required for prospective franchisees at the time of the assignment and be approved by us; (d) Your transferee must execute our then-current form of franchise agreement, or assume your existing franchise agreement (at our option); (e) You must pay us a transfer fee of \$10,000 (\$2,500 of which is due when you ask for our approval); (f) At your or your transferee's expense, upgrade, remodel, or replace the assets used by your Storefront; (g) Your transferee must have completed the initial training program to our satisfaction; (h) You and your owners must execute a general release of all claims against us, our affiliates, and shareholders, officers, directors, employees, agents, successors, and assigns; (i) If any part of the sale price is financed, you must agree that all obligations of the transferee under any promissory note or financing statement will be subordinate to its obligations to pay amounts due to us and our Affiliates; (j) Your transferee must assume all of your liabilities and obligations relating to your Storefront; and

Provision	Section in Franchise Agreement	Summary
		(k) You must execute a written agreement not to compete in favor of us and your transferee, with terms the same as those contained in your Franchise Agreement.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 15.4	You must give us written notice of intent to sell or otherwise transfer the Franchise Agreement at least 60 days before you intend to transfer. We have 30 days from the date that you give us written notice to determine whether we will exercise our right of first refusal. We can match any bona fide written offer for your Storefront.
o. Franchisor's option to purchase franchisee's business	Section 18.6	At termination or expiration of the Franchise Agreement, we have the option to purchase your assets for fair market value. If we and you cannot agree on fair market value, it will be determined by three independent appraisers experienced in valuing food-service equipment and inventory, one selected by us, one selected by you, and a third selected by the two appraisers. The fair market value will be the average of the three appraisals, and we and you will share the appraisers' fees equally.
p. Death or disability of franchisee	Sections 15.7 and 17.9	The estate of the deceased or incapacitated franchisee must, within fifteen (15) days from the date of death or disability, appoint a new Designated Manager if the deceased or incapacitated person was the Designated Manager. If that does not happen, we can exercise our Step-In Rights and operate your Storefront until a new Designated Manager is appointed. You or your estate will have six (6) months from death, disability, or incapacity to transfer your franchise to a new person approved by us.
q. Non-competition covenants during the term of the franchise	Section 16.4	Subject to state law, you must not be in any business that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) products that are the same as or similar to those provided by Storefronts or in which our intellectual property or other confidential information could be used to the disadvantage of us, any of our Affiliates, or any Food Truck or franchisee (a "Competitive Business"), other than a franchise operated under a franchise agreement with us.
r. Non-competition covenants after the franchise is terminated or expires	Sections 16.5 and 16.6	Subject to state law, you may have no involvement in any Competitive Business within: (a) fifteen (15) miles of the Territory or any Storefront then in existence or under construction; or (b) the territory of any Storefront or Food Truck that is then in operation, for a period of 2 years after your Franchise Agreement is terminated or expires. You must not solicit customers of your Storefront or any other Storefront for a period of three (3) years. Except in the operation of a Storefront under a valid franchise agreement, you may not use our Trade Secrets in any business or other endeavor after your Franchise Agreement is terminated or expires. You must completely disassociate yourself from the Marks and return the Operations Manual and other confidential materials provided to you by us. You may not divert any business from us. You must also cancel or transfer all telephone numbers and directory listings to us.
s. Modification of the agreement	Section 20.3	Changes to the Franchise Agreement must be made in writing and agreed to by both parties.

Provision	Section in Franchise Agreement	Summary
t. Integration/merger clause	Section 20.13	Only the terms of the Franchise Agreement are binding (subject to state law). Nothing in the Agreement or in any related agreement is intended to disclaim the representations we made in the Franchise Disclosure Document. Any representations or promises outside the Franchise Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Article 19	Subject to federal and your state's law, all disputes must first be submitted to non-binding mediation in accordance with the commercial mediation rules of the American Arbitration Association ("AAA"). If the mediation is not successful, then the dispute must be submitted to arbitration before the AAA.
v. Choice of forum	Section 19.9	Subject to state law, any arbitration or litigation must be pursued in courts located in Portland, Maine. See any state-specific addendum attached in Exhibit E.
w. Choice of law	Section 19.1	Federal trademark law, and other federal laws govern where applicable. Otherwise, Maine law applies, except where individual state laws supersede, as reflected in any state-specific attachment to the Franchise Agreement, subject to state law.

ITEM 18

PUBLIC FIGURES

Barbara Corcoran (through her entity BCH Holdings, Inc.) owns fifteen percent (15%) of us and of our affiliates, CMLF, CSD, CFS, and CML. She is a business consultant, real estate investor, author, public speaker, and TV personality on ABC television's show "Shark Tank." Ms. Corcoran is an active member of us and of our Affiliates, possessing certain voting rights, but is not involved with day-to-day management. Ms. Corcoran offers experience, advice, and helps us promote the Marks. Ms. Corcoran invested \$55,000 in exchange for her equity ownership interests in us and our Affiliates.

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 this 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.

Below is a historic representation based on the past performance of existing Storefronts, specifically, the Gross Sales for the period of January 1, 2025, to December 31, 2025, of all franchised Storefronts open during 2025. These franchisees were open for all 12 months in 2025. We did not include data from one Georgia Storefront and one Florida Storefront as they closed in 2025 (and were not open for the entire year). In 2025, a total of two franchised Storefronts closed (one in Georgia and one in Florida). No company-owned Storefronts closed during this period, and no excluded Storefronts closed after being open less than 12 months. The annual gross sales information was obtained by us directly from franchisees' point of sales systems.

Fiscal Year 2025 (January 1, 2025 – December 31, 2025)
Annual Gross Sales for Cousins Maine Lobster® Storefronts owned by franchisees

Table 1: Cousins Maine Lobster® Restaurants Fiscal Year 2025 (January 1, 2025– December 31, 2025) Annual Gross Sales for Cousins Maine Lobster® Restaurants owned by franchisees that operated for a full 12 months					
Location #	Avg. Monthly Sales	Median Monthly Sales	Total Gross Sales	Lowest Monthly Sales	Highest Monthly Sales
1	\$109,519.03	\$63,560.85	\$1,314,228.35	\$343,313.95	\$11,931.20
2	\$107,118.53	\$103,633.70	\$1,285,422.38	\$166,026.40	\$64,404.50

Table 2: Cousins Maine Lobster® Restaurants U.S. Average Gross Sales for Cousins Maine Lobster® Restaurants owned by franchisees that operated for a full 12 months For the Period January 1, 2025 – December 31, 2025.	
	Franchise Units
Number of Units	2
Average Annual Gross Sales	\$1,299,825.37
<i>Median</i>	<i>\$1,299,825.37</i>
<i>(Min – Max)</i>	<i>(\$1,285,422.38 - \$1,314,228.35)</i>
Number of Units at or Above Average	1
<i>(% of Units)</i>	<i>(50%)</i>

At your reasonable request, we will provide you with written substantiation for this financial performance representation. See the notes below, which are a material part of this Item.

(1) **Some outlets have sold this amount. Your individual results may differ. There is no assurance that you'll sell as much.**

(2) As used in this Item 19, "Gross Sales" means all revenue accrued from the sale of all products and performance of services in, at, upon, about, through or from the Storefront, whether for cash or credit and regardless of collection in the case of credit, and income of every kind and nature related to the Storefront, including insurance proceeds and/or condemnation awards for loss of sales, profits or business, as well as the full retail value of any gift certificate or coupon sold for use at the Storefront (fees retained by or paid to third party sellers of such gift certificates or coupons are not excluded from Gross Sales). Gross Sales does not include:

- (i) the amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales and collected from customers, provided that the amount of any such tax is shown separately and, in fact, paid by the franchisee to the appropriate governmental authority;
- (ii) cash refunds to customers and valid coupons given by your Storefront and used by customers, provided the full price of any product or service was first included in Gross Sales; or
- (iii) tips from customers given to employees.

(3) The revenue representations in this Item do not reflect the cost of sales, operating expenses, or other expenses that must be deducted from Gross Sales figures to obtain net income or profit. The figures above do not reflect any of the expenses necessary to operate a Cousins Maine Lobster® Storefront. Some of the outlets included in this financial performance representation are operated under older forms of franchise agreements than the one included in this Franchise Disclosure Document. Otherwise, we are not aware of

any characteristics of the outlets included in this financial performance representation that may differ materially from those of a new franchisee's outlet.

Other than the representation given above, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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. Additionally, written substantiation for the financial performance representations above will be made available to you upon reasonable request. 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 Sabin Lomac at CML Storefront, LLC, 125 John Roberts Road, Unit #2, South Portland, ME 04106.

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ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1.

Systemwide Outlet Summary for Years 2023 through 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	7	5	-2
	2024	5	4	-1
	2025	4	2	-2
Company-Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets	2023	7	5	-2
	2024	5	4	-1
	2025	4	2	-2

TABLE NO. 2

Transfers of Outlets from Franchisees to New Owners (Other than Franchisor or an Affiliate) for Years 2023 through 2025

State	Year	Number of Transfers
Georgia	2023	1
	2024	0
	2025	0
Total	2023	1
	2024	0
	2025	0

TABLE NO. 3

Status of Franchised Outlets for Years 2023 through 2025*

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
Arizona	2023	1	0	0	0	0	1	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
California	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Florida	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	1	0	0	0	0

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
Georgia	2023	2	0	0	1	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	1	0	0	0	0
New Jersey	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
North Carolina	2023	1	0	0	0	0	0	1
	2024	1	0	0	1	0	0	0
	2025	0	0	0	0	0	0	0
Ohio	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	1	0
	2025	0	0	0	0	0	0	0
Total Outlets	2023	7	0	0	1	0	1	5
	2024	5	1	0	1	0	1	4
	2025	4	0	2	0	0	0	2

[‡]If multiple events occurred affecting an outlet, this table shows the event that occurred last in time.

TABLE NO. 4
Status of Company-Owned* Outlets for 2023 through 2025

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Total	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0

* “Company-Owned” refers to outlets owned by our affiliates.

TABLE NO. 5
Projected Openings for 2026 As of December 31, 2025

State	Franchise Agreements Signed But Not Opened	Projected New Franchised Outlets in the next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
Illinois	2	0	0
Total	2	0	0

Some current and former franchisees have signed a confidentiality clause in a Franchise Agreement, settlement agreement or other contract within the last three years that would restrict their ability to speak openly with you about their experience with us.

A list of our current franchisees as of the end of our fiscal year on December 31, 2025 is attached to this Disclosure Document as “Exhibit H-1.” A list of franchisees that signed an agreement with us but were not yet operational as of the end of our fiscal year on December 31, 2025 is attached to this Disclosure Document as “Exhibit H-2.” A list of franchisees that left the System as of the end of our fiscal year on December 31, 2025 is attached to this Disclosure Document as Exhibit “H-3.” Other than as listed in Exhibit “H-3,” no Franchisee had an agreement terminated, cancelled, not renewed, or otherwise voluntarily or

involuntarily ceased to do business under our Franchise Agreement during our most recently completed fiscal year, or has not communicated with us within 10 weeks of the date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

We have not created, sponsored, or endorsed any trademark-specific organization of franchisees associated with our franchise system. No independent franchisee organizations have asked to be included in this disclosure document.

ITEM 21

FINANCIAL STATEMENTS

Attached to this FDD as Exhibit C-1 are our audited financial statements as of December 31, 2025, December 31, 2024, and December 31, 2023. Our fiscal year ends on December 31st.

Also attached as Exhibit C-3 are the audited financial statements as of December 31, 2025, December 31, 2024, and December 31, 2023 of CMLF. CMLF is providing Guarantees of Performance solely with respect to Hawaii, Minnesota, and Virginia franchisees. Copies of the Guarantee of Performance is attached as Exhibits D-3, D-4, and D-5

ITEM 22

CONTRACTS

The contracts following this Item 22 are listed in the order in which they appear as exhibits to this Franchise Disclosure Document. At this time, these are the only contracts that we expect that we will enter into with a franchisee in any state, although we reserve the right to enter into different types of contracts with its franchisees as our business develops. As a prospective franchisee, you should obtain independent legal and financial advice concerning this franchise offering as you deem appropriate before making any commitment.

Exhibit B: the Franchise Agreement

Addenda to Franchise Agreement:

1. Information Regarding You and Your Storefront; Territory
2. Owner Agreement
3. Conditional Assignment

Exhibit E: State-Specific Addendum

Exhibit F: Compliance Questionnaire

We will not ask you to complete the Compliance Questionnaire, and we will disregard any answers from you, if you live or plan to operate your franchise in the states of California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, Wisconsin.

Exhibit G: Sample Contracts for Use With Cousins Maine Lobster® Business

- | | |
|-------------|---------------------------------------|
| Exhibit G-1 | Sample General Release Agreement |
| Exhibit G-2 | Sample System Protection Agreement |
| Exhibit G-3 | Sample Confidentiality Agreement |
| Exhibit G-4 | Sample Collateral Assignment of Lease |
| Exhibit G-5 | Sample Lease Addendum |

Exhibit G-5	Sample Lease Addendum
Exhibit G-6	Sample Renewal Addendum to Franchise Agreement
Exhibit G-7	Sample Franchise Relationship Acknowledgment
Exhibit G-8	Sample Electronic Funds Transfer Authorization
Exhibit G-9	Confidentiality and Non-Disclosure Agreement

ITEM 23

RECEIPTS

Two copies of an acknowledgment of your receipt of this Franchise Disclosure Document are attached to this Franchise Disclosure Document as Exhibit I. Please complete both copies, detach and return the copy marked “Our Copy” to us and keep the other copy in the Franchise Disclosure Document for your own records.

CML Storefront, LLC

EXHIBIT A

List of State Administrators and Agents for Service of Process

EXHIBIT A

LIST OF STATE AGENTS FOR THE SERVICE OF PROCESS AND STATE ADMINISTRATORS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for franchising disclosure/registration laws and for service of process. We may not yet be registered to sell franchises in any or all of these states.

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

State	Agents for Service of Process	Administrators
California	California Commissioner of Financial Protection and Innovation <u>Sacramento:</u> 2102 Arena Boulevard Sacramento, CA 95834 <u>Los Angeles:</u> 320 West 4th Street, Suite 750 Los Angeles, CA 90012-2344 <u>San Diego:</u> 1350 Front Street, Suite 2034 San Diego, CA 92101-3697 <u>San Francisco:</u> Department of Financial Protection and Innovation One Sansome Street, Suite 600 San Francisco, CA 94104	Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 2101 Arena Boulevard Sacramento, CA 95834 (213) 576-7505 or (866) 275-2677
Connecticut	Connecticut Department of Banking 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230	Banking Commissioner 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230
Florida	Division of Consumer Services Attn: Business Opportunities Florida Department of Agriculture and Consumer Affairs Mayo Building Tallahassee, FL 32399-0800	Senior Consumer Complaint Analyst Florida Department of Agriculture and Consumer Affairs Mayo Building, Second Floor Tallahassee, FL 32399-0800 (850) 922-2966 or (850) 488-2221
Georgia	Office of the Governor Office of Consumer Affairs 2 Martin Luther King Jr. Drive SE Plaza Level – East Tower Atlanta, GA 30334	Office of Consumer Affairs 2 Martin Luther King Jr. Drive SE Plaza Level – East Tower Atlanta, GA 30334
Hawaii	Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 (808)-586-2722	Commissioner of Securities 335 Merchant Street, Room 203 Honolulu, HI 96813 (808)-586-2722

State	Agents for Service of Process	Administrators
Illinois	Illinois Attorney General Attorney General's Office 500 South Second Street Springfield, IL 62706	Chief, Franchise Bureau Illinois Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465
Indiana	Secretary of State Administrative Offices of the Secretary of State 201 State House Indianapolis, IN 46204	Chief Deputy Commissioner Securities Divisions 302 West Washington Street Room E-111 Indianapolis, Indiana 46204 (317) 232-6681
Iowa	Securities Division Lucas State Office Building Des Moines IA 50319	Director of Regulated Industries Unit Iowa Securities Bureau 340 East Maple Des Moines, IA 50319-0066 (515) 281-4441
Kentucky	Attorney General's Office Consumer Protection Division Capital Building Frankfort, KY 40601-01875	Attorney General's Office Consumer Protection Division Capital Building Frankfort, KY 40601-01875
Louisiana	[Not applicable]	Department of Justice Consumer Protection Office P.O. Box 94095 Baton Rouge, LA 70804-9095
Maine	[Not applicable]	Securities Division State House – Station 121 Augusta, ME 04333
Maryland	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
Michigan	Michigan Department of Commerce Corporations and Securities Bureau 6546 Mercantile Way Lansing, MI 48909	Consumer Protection Division Antitrust and Franchising Unit Michigan Department of Attorney General 670 Law Building Lansing, MI 48913
Minnesota	Minnesota Commissioner of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1600	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1600
Nebraska	[Not applicable]	Staff Attorney Department of Banking and Finance 1200 N. Street., Suite 311 PO Box 95006 Lincoln, NE 68509-5006 (402) 471-3445
New Hampshire	[Not applicable]	Office of the Attorney General

State	Agents for Service of Process	Administrators
		Consumer Protection and Antitrust Bureau 25 Capitol Street State House Annex Concord, NH 03301
New York	Secretary of State 99 Washington Ave. Albany, NY 12231	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222
North Carolina	Securities Division Room 302 300 North Salisbury Street Raleigh, NC 27611	
North Dakota	North Dakota Securities Commissioner 600 East Boulevard Avenue State Capitol Fourteenth Floor Dept 414 Bismarck, ND 58505-0510 Phone 701-328-4712	North Dakota Securities Department 600 East Boulevard Avenue State Capitol Fourteenth Floor Dept 414 Bismarck, ND 58505-0510 Phone 701-328-4712
Oklahoma	[Not applicable]	Oklahoma Department of Securities The Journal Record Building 621 N. Robinson Street Suite 400 Oklahoma City, OK 73102
Oregon	Director of Oregon Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 97310 (503) 378-4387	Department of Consumer and Business Services Division of Finance and Corporate Securities Labor and Industries Building Salem, OR 97310 (503) 378-4387
Rhode Island	State of Rhode Island and Providence Plantations Department of Business Regulation 1511 Pontiac Avenue, Bldg. 69-1 Cranston, Rhode Island 02920	State of Rhode Island and Providence Plantations Department of Business Regulation 1511 Pontiac Avenue, Bldg. 69-1 Cranston, Rhode Island 02920
South Carolina	Secretary of State Capitol Complex Brown Building 1205 Pendleton Street Room 510 Columbia, SC 29210	[Not applicable]
South Dakota	Division of Insurance Securities Regulation 124 S. Euclid Suite 104 Pierre, SD 57501 (605) 773-3563	Department of Labor and Regulation Division of Securities 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563
Texas	[Not applicable]	Secretary of State Statutory Document Section P.O. Box 12887 Austin, TX 78711 (512) 475-1769

State	Agents for Service of Process	Administrators
Utah	[Not applicable]	Consumer Protection Division Utah Department of Commerce 160 East 300 South P.O. Box 48504 Salt Lake City, UT 84145-0804 (801) 530-6601
Virginia	Clerk of the State Corporation Commission 1300 E. Main Street, 1st Floor Richmond, VA 23219 (804) 371-9733	State Corporation Commission Division of Securities and Retail Franchising 1300 Main Street, 9 th Floor Richmond, VA 23219
Washington	Washington Dept, of Financial Institutions Securities Division 150 Israel Road SW Tumwater, WA 98501 (360) 902-8760	Administrator Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, WA 98504-1200 (360) 902-8760
Wisconsin	Commissioner of Securities 345 W. Washington Street, 4 th Floor Madison, WI 53703	Division of Securities Department of Financial Institutions P.O. Box 1768 Madison, WI 53701
Federal Trade Commission		Franchise Rule Coordinator Division of Marketing Practices Bureau of Consumer Protection Pennsylvania Avenue at 6 th Street NW Washington, DC 20580 (202) 326-3128

Our agent for service of process in Maine (and for all other states) is:

Nicholas R. Loukes
125 John Roberts Road, Unit #2
South Portland, ME 04106

CML Storefront, LLC

EXHIBIT B

Franchise Agreement



Franchise Agreement

SUMMARY	
Effective Date	
Franchisee's Name	
Franchisee's Address	
Approved Location	
Territory	
Signed Lease Deadline	6 months after Effective Date
Opening Deadline	10 months after Effective Date

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APPENDIX

Glossary of Terms

ADDENDA

1. Information Regarding You and Your Storefront; Territory
2. Owner Agreement
3. Conditional Assignment

FRANCHISE AGREEMENT

This Franchise Agreement is entered into on the Effective Date between CML Storefront, LLC, a Maine limited liability company (“we,” “us,” or “our”), and the person or legal entity identified in **Addendum 1** to this Agreement (“you” or “your”).

Introduction: This Franchise Agreement

This Franchise Agreement (“**Agreement**”) is written in a conversational tone for ease of reading. In this Agreement, CML Storefront, LLC, together with its affiliates and subsidiaries, is referred to as “we,” “us,” or “our.” The person or legal entity that signs this Agreement is referred to as “you” or “your.” References to “you” and “your” also include your Owners, who are bound by certain obligations under this Agreement. Owners who hold ten percent (10%) or more of your equity, stock, membership, or partnership interests must sign the Owner Agreement attached as **Addendum 2**.

Some words in this Agreement are capitalized. These are “defined terms” and have the meanings given to them where they first appear or in the Glossary of Terms included in the **Appendix**.

RECITALS

A. We own a System for the establishment and operation fast-casual restaurants that sell lobster as well as other seafood, soups, breads, and food items, operated under the Marks and System using our Intellectual Property and Confidential Information (each, a “**Storefront**”).

B. We have ownership rights to, have registered and intend to continue to develop names, trademarks, service marks, logos, commercial symbols, and styles. These include but are not limited to, “Cousins” and “Cousins Maine Lobster” (“**Marks**”).

C. We have the right to license the Marks and the System in connection with the operation of Storefronts.

D. You want to obtain the rights to use the Marks and want to be assisted, trained, and licensed by us, as our franchisee, to use the System and the Marks in the operation of your Storefront, and we are willing to grant you such rights under the terms and conditions of this Agreement.

You and we therefore agree as follows:

1. YOUR COVENANTS, UNDERSTANDINGS, AND REPRESENTATIONS

This Article 1 establishes baseline interpretive principles that apply throughout this Agreement. With that understanding, you represent to us, certify, and agree to the following:

1.1. **Acknowledgment Regarding Other Cousins-Branded Businesses**. You acknowledge and agree that this Agreement grants you the right to operate only a Cousins Maine Lobster® Storefront using the Marks that we designate for that specific concept. You further acknowledge that we and our Affiliates own, license, operate, franchise, and may in the future own, license, operate, or franchise other restaurant, food service, retail, catering, mobile, delivery, or related business concepts, including concepts operated from fixed locations and/or mobile platforms, using other trademarks, service marks, trade names, logos, or branding that include or reference the word “Cousins,” including, without limitation, the Cousins Fried Seafood™ brand and system (collectively, the “**Other Cousins Brands**”). You acknowledge that the operation,

franchising, licensing, or other exploitation of the Other Cousins Brands, whether by us or our Affiliates, may occur at locations that are proximate to your Storefront (including locations within your Territory), may target similar or overlapping customers, and may offer products or services that are similar to or competitive with those offered by your Storefront. You expressly waive and release any claim, argument, or defense that the development, operation, franchising, licensing, or other exploitation of any Other Cousins Brand constitutes dilution, cannibalization, unfair competition, encroachment, interference with your business, a breach of this Agreement, a breach of any implied covenant, or otherwise violates any right you may claim under this Agreement or at law or in equity. You further acknowledge and agree that this Agreement grants you no rights, exclusivity, protections, or restrictions of any kind, whether express or implied, with respect to any Other Cousins Brand, including any Storefront-based or fixed-location concept operated by us or our Affiliates, and that you have not relied on any representation regarding the absence, limitation, or future development of any Other Cousins Brand, or the location or proximity of any such business, in deciding to enter into this Agreement.

1.2. System Modifications. We reserve the right to modify any aspect or element of the Trade Dress and/or the System. This includes, but is not limited to, our right to: (1) modify, change or abandon the strategy on which Storefronts are currently based; (2) add or change the standards for customer service and products; and (3) require the use of new or different equipment, Trade Dress, or Marks. We will communicate these changes to you through the Operations Manual or other written correspondence. You must take prompt action to make any such addition, subtraction, revision, modification or change to your Storefront, and make reasonable expenditures as may be necessary to comply. You acknowledge and agree that modifications to the System, Trade Dress, Marks, equipment, standards, or operating requirements implemented under this Section 1.1 do not constitute a change to the fundamental economic or legal terms of this Agreement, even if compliance requires capital investment or operational changes.

1.3. System Variations. Because complete uniformity under various market circumstances may not always be possible or desirable, we, in our discretion, reserve the absolute and exclusive right to vary the standards for any Storefront or franchisee based upon the customs or circumstances of a particular market area, density of population, existing business practices or any condition that we deem to be of importance to the operation of such franchisee's business. Such variations do not create any right to equivalent treatment, do not amend this Agreement, and do not limit our authority to establish or enforce System standards applicable to you.

1.4. Accuracy of Information. You have ensured that all information you have given us in connection with your application for this franchise was complete and accurate when you gave it to us. You represent to us that there have been no material changes in that information or other changes in material circumstances between the time you submitted the information to us and the Effective Date.

1.5. Permits, Licenses, and Legal Requirements. You understand that the food and beverage business is highly regulated and that you will be required, under applicable Legal Requirements, to secure licenses and permission from the appropriate government authorities to operate your Storefront. It is your responsibility to familiarize yourself with all applicable Legal Requirements, and we have made no representations as to the nature of such Legal Requirements or your ability to qualify or comply with them.

1.6. Your Ownership. If you are a Business Entity, you represent that:

1.6.1. You will comply with Section 13.3 regarding Owners and guarantors. We reserve the right to reject and prohibit any such person from entering into this Agreement as an Owner.

1.6.2. You are duly organized and validly existing under the laws of the state of your organization, and you are duly qualified to transact business in the state(s) in which your Territory is located.

1.6.3. You have the authority to execute and deliver this Agreement and all related agreements and to perform your obligations under all such agreements.

1.6.4. Your organizing documents state that your activities are restricted to those necessary solely for the development, ownership and operation of a Storefront in accordance with this Agreement and in accordance with any other agreements entered into with us or any of our Affiliates.

1.6.5. The articles or certificate of incorporation, partnership agreement or other organizational documents recite that the issuance, transfer or pledge of any direct or indirect legal or beneficial ownership interests are restricted by the terms of this Agreement.

1.6.6. All certificates representing direct or indirect legal or beneficial ownership interests in you, now or later issued, do or will bear a legend that conforms with the Legal Requirements reciting or referring to such restrictions.

If you are an individual or sole proprietorship but later become a Business Entity, you must ensure that you comply with, and that your organizing documents are consistent with, each one of the above requirements and representations.

1.7. Disclosure of Ownership Interests. You and, if you are a Business Entity, each of your Owners represents, warrants and agrees that the statements in **Addendum 1** are current, complete and accurate. You agree that updates or changes to **Addendum 1** will be furnished promptly to us, so that it (as revised and signed by you) is at all times current, complete and accurate; you acknowledge that this requirement to maintain the accuracy of Addendum 1 in no way amounts to a waiver of any of our rights related to the transfer of ownership interests in the Business Entity.

1.8. Anti-Terrorism Laws. You represent, warrant, and certify that neither you nor any of your Owners, principals, employees, or anyone acting on your behalf is listed under, or otherwise subject to, any Anti-Terrorism Laws, including Executive Order 13224, and that none of your property or interests are blocked under such laws. You agree not to employ or engage in any dealings with any person or entity subject to any Anti-Terrorism Laws and to comply fully with all such laws. You are solely responsible for determining the actions necessary for your compliance, and you acknowledge that your indemnification obligations under this Agreement apply to this Section.

1.9. Source of Lobster. All lobster we require you to use is the species *Homarus americanus*, commonly known as Maine lobster. Our lobster may be harvested in United States or Canadian waters and may be cooked or otherwise processed at facilities located in the United States and/or Canada. While we generally seek to support the lobster industry in Maine and the United States, due to seasonality and supply-and-demand considerations, we may source lobster from Canada or other approved sources from time to time.

1.10. Lobster Yields. Because lobster is a natural and perishable product, the amount of usable meat yielded from any processed lobster may vary. Yield can be affected by multiple factors, including harvest season, handling by you, processing methods and facilities, and water weight content. As a result, we and our Affiliates cannot and do not guarantee the amount of usable lobster meat you will receive per pound of lobster ordered.

2. GRANT OF FRANCHISE

2.1. Grant of Franchise. Subject to the terms and conditions of this Agreement, including the rights expressly reserved by us in Article 4, we grant you the right to operate one (1) Cousins Maine Lobster® Storefront within the territory identified in Addendum 1 (the “**Territory**”) for a term of ten (10) years from the Effective Date. You agree to equip and operate a single Storefront in accordance with this Agreement and the Operations Manual, using the System and offering only the Authorized Products and Authorized Services that we specify, solely under the Marks designated for the Storefront concept. The rights granted to you under this Section 2.1 are format-specific and limited, and do not include any rights or exclusivity except as expressly stated in this Agreement.

2.2. Restrictions on License. You may not grant franchises, sublicenses, or other rights of any kind to any third party. Except as expressly permitted under this Agreement or a separate written agreement with us, you may not operate more than one Storefront within the Territory. You may not permit your Storefront, or any part of it, to be used for any purpose other than the operation of a Cousins Maine Lobster® Storefront in accordance with this Agreement and the Operations Manual. Any approval we may grant for temporary, off-site, or non-traditional operations does not expand the scope of your franchise, increase the size of the Territory, or grant you any exclusive or continuing rights beyond those expressly stated in this Agreement.

3. DEVELOPING AND EQUIPPING YOUR STOREFRONT

3.1. Approved Location and Relocation. Your Storefront will be located at the Approved Location listed on **Addendum 1**. If no Approved Location has been inserted in the blank space provided in **Addendum 1** at the time you and we execute this Agreement, it will be inserted when determined as outlined in Section 3.2 below.

3.1.1. You must select and obtain our approval of a site within three (3) months after the Effective Date. If you fail to meet this deadline, we will have the right to terminate this Agreement.

3.1.2. You may not relocate your Storefront without our prior written consent. If you wish to relocate, you must submit a written request to us along with a relocation fee of ten thousand dollars (\$10,000). We will not unreasonably withhold our approval of your relocation request, but we will not approve any such request if the proposed new location is outside of your Territory.

3.2. Site Selection. We will pay for the services of our Approved Supplier of real estate site selection services to assist you and us in evaluating potential sites for your Storefront. You agree that you are responsible for selecting the site for the Approved Location. You are responsible for independently investigating the demographic characteristics, competition, and market for the services that you will provide through your Storefront in the market area where you intend to operate. We will, however, provide you with guidance and our standards for site selection. Additionally, you will be required to engage a local general contractor to conduct an initial site inspection or site plan review. You must obtain our approval before you commit to a site.

3.2.1. You must seek our approval by advising us in writing of the street address and location for the proposed Storefront, and by providing us with a copy of any demographic information, floor plans, mechanical plans, materials prepared by the general contractor relating to initial site inspection or site plan review, photographs, proposed lease terms, and general market information that you possess on the proposed location as we require, in the form we prescribe. Within thirty (30) days after we receive the demographic information from you, we will approve or disapprove of the proposed site. If you and we do not agree on the site for your Storefront, you must attempt

to locate another acceptable site. We reserve the right to approve or disapprove any site location you propose based upon our review of the site.

3.2.2. WE DO NOT REPRESENT THAT WE, OR ANY OF OUR AFFILIATES, OWNERS, EMPLOYEES, DESIGNATED CONSULTANTS OR AGENTS, HAVE ANY SPECIAL EXPERTISE IN SELECTING SITE LOCATIONS. NEITHER OUR ASSISTANCE NOR APPROVAL IS INTENDED TO INDICATE, OR INDICATES, THAT YOUR CML STOREFRONT WILL BE PROFITABLE OR SUCCESSFUL AT THE APPROVED LOCATION. YOU ARE SOLELY RESPONSIBLE FOR IDENTIFYING THE APPROVED LOCATION.

3.3. Our Approval of the Lease. Following our approval of the location for your proposed Storefront, you are required to obtain a local attorney to review and negotiate your lease agreement for the Approved Location. You must obtain our approval of any lease for the Approved Location by submitting to us a copy of the proposed lease prior to execution of said lease. You must submit a copy of the proposed lease to us after we accept your Approved Location. We will accept or reject the proposed lease as soon as practicable, but in no event longer than thirty (30) days after we receive it from you. You must not enter into any lease for the Approved Location unless you have received our acceptance. When executing the lease (and regardless of whether we have accepted the lease), you must not agree to any lease terms that would create (or purport to create) any obligations on our behalf, nor may you grant (or purport to grant) to your landlord any rights against us, or agree to any other term, condition, or covenant which is inconsistent with any provision of this Agreement. You must deliver to us a fully-executed copy of the final, approved lease promptly after it is fully executed. OUR REVIEW OF A LEASE, OR ANY ADVICE OR RECOMMENDATION OFFERED BY US, WILL NOT CONSTITUTE A REPRESENTATION OR GUARANTEE THAT YOU WILL SUCCEED AT THE APPROVED LOCATION, NOR WILL IT CONSTITUTE ANY EXPRESSION OF OUR OPINION REGARDING THE TERMS OF THE LEASE. You must sign a lease we have approved for a location we have approved no later than six (6) months after the Effective Date. If you fail to meet this deadline, we will have the right to terminate this Agreement.

3.4. Required Lease Terms. You must execute a "Collateral Assignment of Lease," in the form found in **Exhibit G-4** to the Franchise Disclosure Document, whereby you agree to assign your rights in the lease to us in the event of a termination or expiration of the Term of this Agreement or a default under the lease, if we notify you of our desire to assume the lease. In addition, the lease must, unless we otherwise consent in writing, be modified by the Addendum to the Lease, attached as **Exhibit G-5** to the Franchise Disclosure Document.

3.5. Obtain Our Approval of Your Plans. You must ensure that you, or our Approved Supplier, submits to us for approval all construction plans, specifications, and any proposed deviations for any construction and any remodeling of your Storefront. We will approve or disapprove such plans within thirty (30) days of the date you submit them to us. Our approval of construction plans and specifications is not a warranty of their appropriateness, and means only that they comply with our minimum specifications. You must construct your Storefront consistent with the plans we approve.

3.6. Developing Your Storefront. We will communicate with you and the Approved Supplier for the initial design and construction of your Storefront regarding our standards and specifications for the design, layout, appearance and equipment in your Storefront. You, however, are solely responsible for all aspects of developing and constructing your Storefront. This means that you must, at your own expense: (a) secure all financing to develop and operate your Storefront and acquire and maintain adequate capital reserves; (b) pay all applicable state, county, and municipality taxes, permit costs, and/or fees associated with construction; (c) obtain all required permits and licenses; (d) purchase insurance and warranties for your Storefront; (e) obtain all building inspections, approvals, occupancy and/or construction permits; and (f) engage a licensed architect and licensed contractor(s) or construction manager to construct, remodel,

renovate, and/or equip all improvements to your Storefront and decorate it according to the plans and specifications that we approve, and in accordance with the requirements of your lease, and communicate with us about your chosen architects, contractors, or managers. In most cases, you will be required to work with our Approved Supplier to manage most aspects of this process, but in every case you will be responsible for complying with this Section 3.6.

3.7. Opening Deadline. You agree that your Storefront will be completed, open and operating, no later than ten (10) months after the Effective Date (the “**Opening Deadline**”), unless we otherwise agree or direct you in writing to postpone commencement of operations. If you fail to open your Storefront on or before the Opening Deadline (as extended, if applicable, by your payment of the delayed opening fee stated in Section 3.8), we will have the right to deem your failure to constitute a material default of this Agreement, and we will have the right to terminate the Agreement, without refunding any fees that you have paid to us. **You must obtain our written approval before operating your Storefront, and you must notify us of your anticipated opening event at least thirty (30) days in advance of that date.** We reserve the right to make the final determination on the exact opening date of your Storefront based on any reason or circumstance that we in our sole discretion feel is in the best interests of the System as a whole. We will provide you with written notice of the determined opening date at least thirty (30) days in advance of that determined date of which your Storefront operations shall commence.

3.8. Delayed Opening Fee. If you do not open and begin operating your Storefront on or before the Opening Deadline, and subject to our prior written approval, you must pay us a fee of ten thousand dollars (\$10,000) for each month you wish to extend the Opening Deadline, for up to three (3) months (“**Delayed Opening Fee**”).

4. TERRITORY

4.1. Territory. Subject to your compliance with this Agreement and the rights expressly reserved by us in Section 4.2, and provided you are not in material default beyond any applicable cure period, we will not, during the Term, operate or permit any third party to operate another Cousins Maine Lobster®-branded Storefront under the Marks within the Territory. The exclusivity granted under this Agreement is limited solely to other Cousins Maine Lobster®-branded Storefronts and does not apply to other formats, concepts, trademarks, or channels of distribution. Except as expressly stated in this Section 4.1, you receive no other territorial exclusivity, protection, or right of first refusal of any kind. For clarity, this exclusivity does not apply to, and you receive no protection with respect to, the operation of any Other Cousins Brand, including any Affiliate-operated Storefront concept, whether inside or outside the Territory. The Territory does not include, and you receive no territorial protection with respect to, the operation of any Food Truck; provided, however, that no Food Truck may operate within one-half (½) mile of your Storefront, except as we may expressly approve in writing.

4.1.1. If your Approved Location has not been identified as of the Effective Date, it will be identified, and entered on Addendum 1, at the time you obtain our approval of it. You and we will describe your *anticipated* location in general terms in the “general description” in Section B of Addendum 1. Your and our listing of the general description of your location does not give you any rights of exclusivity in the identified area, and is only used for a reference. We may sell other Storefronts or Food Trucks in the area identified in Section B of Addendum 1.

4.1.2. After we have approved a location for your Storefront, we will enter it in Section C of Addendum 1. The Territory is dependent on the location of your Storefront.

4.1.3. If your Approved Location is at a Non-Traditional Location, your Territory will consist only of the Non-Traditional Location.

4.2. Reserved Rights. Except for the limited exclusivity expressly granted in Section 4.1 with respect to other Cousins Maine Lobster®-branded Storefronts, we and our Affiliates reserve all other rights within and outside the Territory. These reserved rights include, without limitation, the right to establish, operate, franchise, or license:

4.2.1. The right to use, franchise, or license others to use the Marks and System in connection with Food Trucks, Storefronts, other Cousins Maine Lobster® restaurants, or any other businesses, whether similar or dissimilar to your Storefront, at any location outside the Territory.

4.2.2. The right to use, franchise, or license others to use the Marks and System in connection with Food Trucks, including Food Trucks located within the Territory.

4.2.3. The right to establish, operate, or license others to establish and operate Food Trucks or Storefronts at Non-Traditional Locations within the Territory under the Marks.

4.2.4. The right to sell Authorized Products or provide Authorized Services under the Marks and System to customers located within the Territory, provided that such products or services are not sold from or provided by a Storefront. This includes the right to permit Food Trucks located within the Territory to provide catering services to customers in the Territory.

4.2.5. The right to permit Food Trucks to locate commissary or prep-kitchen facilities within the Territory, provided that those facilities do not sell food to retail customers within the Territory.

4.2.6. The right to use, franchise, or license the use of trademarks or service marks other than the Marks, including trademarks and service marks used in connection with any Other Cousins Brand (including Cousins Fried Seafood™), whether through alternative channels of distribution or otherwise, at any location, including locations within the Territory, in connection with businesses that are similar to, the same as, or different from Storefronts.

4.2.7. The right to offer or sell Authorized Products or Services, or to grant others the right to offer or sell such products or services, whether using the Marks or other trademarks or service marks, through alternative channels of distribution, including grocery stores, retail outlets, specialty food retailers, and through existing non-Cousins Maine Lobster®-branded restaurants or foodservice locations (including hotels, resorts, and similar venues), as well as wholesalers, Internet commerce (e-commerce), mail order, or other channels, whether inside or outside the Territory.

4.2.8. The right to maintain, control, and operate System-wide or brand-level websites, social media platforms, and other digital or online presences using the Marks, without granting you any exclusive or protected digital territory or online rights.

4.2.9. The right to acquire, merge, or combine with businesses that operate concepts that are the same as or similar to Storefronts, and to operate, franchise, or license those businesses following acquisition, regardless of where they are located, including within the Territory. We also retain the right to be acquired by another business, including a business that operates concepts that are the same as or similar to Storefronts or other Cousins-branded concepts, regardless of where such businesses are located, including within the Territory. We will not re-brand any such businesses located within the Territory by allowing them to operate under the Marks.

4.3. Limitations Operating Outside of Your Territory. You may be permitted to temporarily operate at pop-up locations or events in areas contiguous to the Territory where there is no operating Storefront or

Food Truck with Territory rights (each an “**Unassigned Territory**”) provided you seek and obtain prior written approval from us as mandated within the Operations Manual. You acknowledge that other Storefronts neighboring your area will have similar opportunities to provide services within the Unassigned Territory. You will not receive any right of first refusal or any other type of rights to an Unassigned Territory because you operate or operated there. We may sell any Unassigned Territory at any time, without giving you advance notice. After we give you notice to cease operating in the Unassigned Territory, you must do so immediately. You must, if asked to do so (and without compensation), orderly transition your customers (including your catering customers) in the applicable Unassigned Territory to our designee without compensation.

4.4. Special Accounts. We retain the exclusive right to solicit, negotiate, and contract with Special Accounts anywhere, including within the Territory.

4.4.1. If we enter into a contract with a Special Account for facilities located within the Territory, we will offer you the first option to provide services within the Territory, at the prices and subject to the terms and requirements we negotiate with the Special Account. If you accept the opportunity, we will collect all amounts due from the Special Account and remit to you the amounts due for products and services rendered, less the Royalty Fees and other amounts owed under this Agreement. All amounts collected from or on behalf of Special Accounts will be included in your Gross Sales for purposes of calculating royalties.

4.4.2. If you decline the opportunity to service a Special Account within the Territory, we may fulfill the contract requirements in any manner we deem appropriate, including through another Cousins Maine Lobster® franchise, a business owned by us or our Affiliates, or a third-party contractor.

4.4.3. If a Special Account reasonably requests that services within the Territory be provided by someone other than you, we may revoke your option or right to provide, or continue to provide, those services and may fulfill the contract requirements in any manner we deem appropriate.

4.5. Catering and Delivery Services. If you wish to offer pop-up services or in-home catering services within the Territory, you must, at your sole cost and expense, obtain all required insurance, equipment, menus, and other items approved by us, as specified in the Operations Manual, before offering such services. While providing pop-up or in-home catering services, you must comply with all applicable policies and procedures set forth in the Operations Manual. All revenue derived from pop-up or in-home catering services must be included in your Gross Sales. If a customer requests catering services and a Food Truck is located within the Territory, we may, in our sole discretion, approve either you or the Food Truck to provide those services. We will evaluate such requests based on our then-current policies set forth in the Operations Manual or otherwise provided to you in writing.

5. **TERM; RIGHT TO ACQUIRE SUCCESSOR FRANCHISE**

5.1. Term. The term of this Agreement (the “**Term**”) begins on the Effective Date and continues for ten (10) years, unless earlier terminated under Article 17.

5.2. Right to Acquire Successor Franchise. After the expiration of the initial Term, you may, at your option, acquire a successor franchise for an additional term of five (5) years, unless you are signing this Agreement under a successor franchise agreement for an existing Storefront. To qualify for a successor franchise, we have the right to insist on your fulfillment of any or all of the following conditions:

5.2.1. You must give us written notice of your election to acquire a successor franchise not less than six (6) months nor more than nine (9) month prior to the end of the Term.

5.2.2. You must execute our then-current standard form of franchise agreement (the “**Successor Agreement**”), which may, in our sole discretion, include substantially different terms than those contained in this Agreement, including but not limited to, higher, additional, or different fees (including a higher Royalty Fee and Advertising Fund Contribution) and a smaller Territory, but you will not have to pay a new Initial Franchise Fee. We will not, in any case, increase the Royalty Fee in your Successor Agreement by more than one percent (1%) above the one contained in this Agreement.

5.2.3. You and each of your Owners must have executed a general release, in our then-current form (the current form is attached to the Franchise Disclosure Document as **Exhibit G-1**), of any and all claims against us and our Affiliates and their respective officers, directors, shareholders, managers, members, agents and employees in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances; provided, however, that any release you give us will not be inconsistent with any state law regulating franchising.

5.2.4. You are not then in default of any provision of this Agreement, or any amendment of or successor to this Agreement, or any other agreement between you and us or our Affiliates, and you have not committed and received notice of two (2) or more breaches of this Agreement during any twelve-(12) month period during the Term, even if such breaches were timely remedied.

5.2.5. You must make, in a manner satisfactory to us, such changes as may be necessary to bring your Storefront up to our current standards, including, without limitation, installation of new equipment and software and the remodeling and/or renovation of the Storefront to reflect the then-current standards and image of the System. You must also reimburse us for our expenses relating to inspecting your Storefront to confirm that you have complied with this Section 5.2.5.

5.2.6. You must provide proof that you have all current licenses, insurance, and permits in compliance with Legal Requirements for you to continue operating your Storefront.

5.2.7. You must be compliant with our then-current qualification (including financial) and training requirements.

5.2.8. You must pay us a successor franchise fee of ten thousand US dollars (\$10,000) (“**Successor Franchise Fee**”).

5.2.9. Your failure or refusal to execute the Successor Agreement within thirty (30) days after delivery to you may be regarded as an election by you not to renew.

5.3. Holdover Franchise. If for any reason, you continue to operate the Storefront beyond the Term of this Agreement or any subsequent renewal period, it shall be deemed to be on a month-to-month basis under the terms of this Agreement (except that you will no longer have the right to obtain a Successor Agreement) and subject to termination upon 30 days’ notice or as required by law. If the hold-over period exceeds 90 days, this Agreement is subject to immediate termination. Upon termination after any hold-over period, you and those in active concert with you, including Owners, family members, officers, directors, partners and managing agents, are subject to the terms of Agreement including post-termination obligations contained in this Agreement. During any such holdover period, your Royalty Fee will be equal to our then-current Royalty Fee, plus two percent (2%).

5.4. No Credit Terms. If you: (i) do not timely provide us with the renewal notice required under Section 5.2.1; or (ii) do not fulfill all of the conditions stated in Section 5.2 and we decline to offer you a successor franchise, then during the last six (6) months of your Term, at our election, you must pay in advance for all products you order from us or our Affiliates.

6. PAYMENTS

6.1. Initial Franchise Fee. In consideration of the parties' promises and covenants to one another, you must pay us a non-refundable, lump-sum initial franchise fee of forty thousand US Dollars (\$40,000) upon execution of this Agreement ("**Initial Franchise Fee**") via wire transfer.

6.2. Royalty Fee. You must pay us, on or before the fifth calendar day of each month, a continuing royalty fee ("Royalty Fee") equal to the greater of: (a) six percent (6%) of your Gross Sales that you earned during the prior calendar month just-ended; or (b) three thousand five hundred dollars (\$3,500).

6.3. Contribution to Advertising Fund. You must pay us, on or before the fifth calendar day of each month, a contribution to the Advertising Fund up to two percent (2%) of your total Gross Sales (the "**Advertising Fund Contribution**") during the calendar month just-ended. We will deposit the Advertising Fund Contribution into a shared advertising and marketing fund that we and our Affiliate jointly maintain for Food Trucks and Storefronts ("**Advertising Fund**").

6.4. Technology Expenses. You must pay our Approved Suppliers their current fee, which may be assessed on a monthly basis, for providing to you the Technology Products, credit card processing, and other modules that we require.

6.5. Purchase of Inventory. You must purchase all lobster, seafood, and other inventory from our Affiliate, which is the only Approved Supplier of certain inventory items. You must also purchase an initial supply of inventory from our Affiliate, which will cost between \$30,000 and \$80,000, depending on the size and location of your franchise, time of the season, suppliers, and other related factors. Payment for the initial inventory package is due within 18 days of placing your order. If you fail to pay an Approved Supplier (including us or our Affiliates) when due, we may require advance payment for future orders, even if you cure the default and even if we apply funds from your Deposit Account, and you must replenish the Deposit Account so that \$20,000 remains on deposit.

6.6. Deposit Account. Upon execution of this Agreement, you must pay us \$20,000, which we will hold in our bank account for your benefit (the "**Deposit Account**"). We may apply funds in the Deposit Account to amounts you owe us or our Affiliates, including unpaid inventory purchases or fees, but any such application will not cure a default. You must promptly replenish the Deposit Account so that \$20,000 remains on deposit at all times. If this Agreement expires and you do not enter into a Successor Agreement, we will, at your option, either (a) refund to you any remaining balance in the Deposit Account (without interest), or (b) apply the remaining balance to inventory purchases from our Affiliate during the final two (2) months of the Term.

6.7. Time and Manner of Payments. Except for the Initial Franchise Fee, we may require that all amounts owed under this Agreement be paid by electronic funds transfer ("**EFT**") or by another payment method we designate from time to time. Each payment of Royalty Fees and Advertising Fund Contributions must be accompanied by a report of your Gross Sales for the immediately preceding calendar month, in a form approved by us, which may be electronic.

6.7.1. You must comply with our payment procedures and execute all documents necessary to effect EFT payments, including our EFT Authorization Agreement (attached to the Franchise Disclosure Document as **Exhibit G-8**). You authorize us to initiate debit entries (and corrective credit entries, if necessary) to your designated bank account for amounts owed to us or our Affiliates, including interest on overdue amounts. Funds must be available for withdrawal no later than the fifth (5th) calendar day of each month. If any payment is late, we may require payment by wire transfer.

6.7.2. If your account lacks sufficient funds when we initiate a transfer, the unpaid amount will be deemed overdue and subject to all remedies and charges applicable to late payments.

6.7.3. If you fail to timely report Gross Sales for any month, we may debit your account, at our option, in an amount equal to the greatest of: (a) 120% of the fees paid for the most recent month for which Gross Sales were reported; (b) the amount due based on data obtained from the POS System or CML Mobile App; or (c) \$3,500.

6.8. **Application of Funds; Withholding of Payments.** If you become delinquent in the payment of any monetary obligation to us, we will have the absolute right to apply any payments received from you to any obligation owed, whether under this Agreement, or under any other agreement, between you and us, notwithstanding any other designation by you as to application. You agree that you will never withhold payment of any amount due to us or our Affiliates for any reason at any time, including but not limited to: (a) your claim that we have not performed any one of our obligations under this Agreement; or (b) any other claim against us or dispute with us of any kind or nature.

6.9. **Late Payments.** If we do not timely receive any fee or any other amount due under this Agreement on or before the applicable due date, you will pay us a late fee equal to fifty dollars (\$50) for each day your payment is late, plus the lesser of the: (a) daily equivalent of one and one-half percent (1.5%) per month simple interest of any overdue amount; or (b) highest rate then permitted by applicable law, for each day any amount is past due, accruing until the past-due amount is paid in full. This provision does not permit or excuse late payments. The remedies set forth in this Section 6.9 are cumulative and not alternative.

6.10. **Default Fee; Reimbursement of our Costs of Collection or Enforcement.** If we engage legal counsel, a collection agency, or any third party in connection with your failure to pay amounts due, submit required reports, or otherwise comply with this Agreement, you must reimburse us for all related costs and expenses, including reasonable attorneys' fees, investigation costs, travel expenses, and employee or agent time. In addition, we may charge a \$300 default fee for each default you commit. All amounts under this Section are payable within five (5) days after you cure the default, or upon demand if the default is not cured.

6.11. **Taxes.** All payment obligations pertaining to your Storefront, including all trade payables and other indebtedness of every kind and all federal, provincial, state and municipal taxes and charges, are solely your obligations and not ours. We will not be liable for any sales, service, use, excise, income, gross receipts, property, payroll or other taxes levied against you or your assets, or against us, in connection with your Storefront, or any payments you make to us under this Agreement or any other agreement. You must reimburse us for any gross receipts, sales, income, use or other tax assessed by any taxing authority in the state where your Territory is located, on any fees or other amounts payable by you to us under this Agreement.

6.12. **Payments to Others.** You agree to pay all of your suppliers (including Approved Suppliers), distributors, lessors, contractors, suppliers, trade creditors, employees, and other creditors promptly as the debts and obligations to such persons become due. If you fail to pay any such obligations promptly as the

debts to such persons or entities become due, we have the right (but not the obligation) to pay such obligations on your behalf, and you must immediately reimburse us for the amount or amounts paid, together with interest at the rate of eighteen percent (18%) per annum, or the maximum rate permitted by law, whichever is less, beginning on the date we make the payment.

6.13. Annual Increases. We have the right to increase our flat fees by a maximum of 10% per year, calculated cumulatively over the term of the Franchise Agreement. Additionally, we may also increase these fees by the amount of any increases in fees from third parties for the underlying products or services which will be added to the capped fee increase.

7. TRADEMARK STANDARD AND USE REQUIREMENTS

7.1. Ownership. You agree that the Marks, Intellectual Property, and System are our (or our Affiliate(s)) exclusive property, and that you will never assert any claim to any goodwill, reputation or ownership relating to or associated with the Marks or Intellectual Property. You also recognize that all goodwill relating to your use of the Marks belongs solely to us, and not to you, and that after this Agreement expires, is terminated, or Transferred, you will have no right to any such goodwill. You will use the Marks in strict conformity to the Operations Manual. You will never engage in any conduct directly or indirectly, or assist another party to engage in any conduct, that would infringe upon, harm or cause damage to the Marks. You will not contest or assist any other party to contest our rights in any of the Marks or the goodwill associated with the Marks. You will not use, or assist others to use, the Marks in a derogatory, negative or other inappropriate manner in any medium. You agree to provide us with all assignments, affidavits, documents, information and assistance we reasonably request to fully vest in us all rights, title and interest in and to the Marks, including all items we reasonably request to assist us in registering, maintaining and enforcing our rights in the Marks. You acknowledge that we will suffer irreparable damage and will have no adequate remedy at law as a result of your unauthorized or infringing use of the Marks, and you agree that we will have the right to seek injunctive relief in a court of competent jurisdiction in the event that you use the Marks in an unauthorized or infringing manner. You agree to comply with all of our requirements when you use the Marks, and that you will never engage in any activity that we determine to be harmful to the reputation of us, the Marks, the System, or Storefronts generally.

7.2. Changes. We, from time to time in our discretion, may modify all or any part of the Marks. We may require you to use one or more additional or substitute Marks. You will have no rights or claim of damages, offset, or right to terminate this Agreement as a result of any such modification and we will not have any liability or obligation to you with respect to your required modification or discontinuance of any Marks. Within sixty (60) days of receiving notice of such modifications, you must cease using the former Marks and commence using the modified Marks at your sole cost and expense.

7.3. Permitted Use. Your right to use the Marks; any proprietary software; materials in which we claim a copyright, trademark, or other exclusive right; the Trade Dress; trade secrets; Confidential Information; and other Intellectual Property granted under this Agreement is strictly limited to use in connection with the operation of your Storefront, and only as expressly authorized by this Agreement, the Operations Manual, or our written instructions from time to time.

7.3.1. You may use the Marks solely to identify and distinguish the services you are authorized to offer. You may not use any Intellectual Property in connection with any product or service that is not expressly authorized under this Agreement or the Operations Manual without our prior written consent. You must comply with all trademark, trade name, and service mark notice and marking requirements that we prescribe, including affixing the designation(s) we specify (such as “SM,” “TM,” or “®,”) adjacent to the Marks in all required uses.

7.3.2. You will not use, adopt, or permit the use of any name, mark, design, or other matter that is identical to, confusingly similar to, or likely to dilute the Marks, the System, or the Intellectual Property, nor will you assist or encourage any third party to do so. You will use the Marks only in the manner and for the purposes we authorize, and you will take reasonable steps to prevent unauthorized use of the Marks or Intellectual Property by persons associated with or employed by you.

7.4. No Representations or Warranties. WE MAKE NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE USE, EXCLUSIVE OWNERSHIP, VALIDITY OR ENFORCEABILITY OF THE MARKS. Nothing in this Section limits our obligation to license the Marks in accordance with this Agreement.

7.5. Internet, Social Media, and Domain Name. During the Term of this Agreement, we will list your Storefront Territory on our Internet website. You, your employees, independent contractors, sales associates and representatives may not use, license, or register any domain name or URL (or other means of identifying you or your Storefront on the Internet) that uses a mark, image, or words confusingly similar to the Marks or any abbreviation, acronym, or phonetic or visual variation of the Marks without our prior written consent. At our request, you must promptly assign or redirect (or cause to be assigned or redirected) to us any domain name, URL, or other identification that violates this Agreement or the policies stated in the Operations Manual at your expense and without compensation from us. The content you submit to us or use for any Internet marketing must be true, correct and accurate. At our request, you will promptly modify any of your Internet marketing material containing the Marks to conform to the standards stated in the Operations Manual. You agree and acknowledge that your on-line promotional strategies must comply with our on-line policy. You further agree and acknowledge that we may review, monitor, and require changes to all on-line content on your websites, social media sites, blogs, electronic communication and other on-line sites on which our Marks or Intellectual Property are used. You must provide us with full, administrator-level rights to access and administer all social media accounts that relate to your Storefront, and we will have the exclusive right to control the creation, use, content, management, and administration of all such social media accounts. We may, in our discretion, permit you to access or manage any such social media accounts while you are in compliance with this Agreement and our System standards, and any such permission may be revoked by us at any time.

7.6. Infringement. You must notify us of: (a) any litigation relating to the Marks; or (b) suspected infringement upon the Marks or the Intellectual Property, but you may not take any action against suspected infringers without our express written permission. You must notify us within three (3) days after receiving notice of any claim based upon or arising from any attempt by any other person, firm or corporation to use the Marks or any imitation of them. If you notify us in a timely manner of a claim against you relating to the Marks, we will have the exclusive right (but not the obligation) to contest, defend against, or bring an action against, any third party regarding the third party's use of any of the Marks. In the event we take legal action to protect our Marks or authorize you to do so, we will be responsible for all costs (including reasonable attorneys' fees) related to such legal action. You must execute any and all documents, do such acts and things that may be necessary, and cooperate with us and with any action undertaken by us concerning litigation relating to the Marks.

8. ADVERTISING

8.1. Your Local Advertising. All of your advertising, promotion and marketing must be completely clear and factual and not misleading, and must conform to the highest standards of ethical marketing and the policies which we prescribe from time to time, in the Operations Manual or otherwise. You may not use any advertising or promotional materials that we have disapproved at any time or for any purpose, and you may not advertise your Storefront in connection with any other business without our written consent. You

must spend at least four hundred dollars (\$400) per month on local advertising and marketing activities for your Storefront (the “**Local Advertising Requirement**”). On a monthly basis, you must provide us with a report (including receipts) demonstrating your compliance with this requirement. Except to the extent satisfied through Cooperative contributions in accordance with Section 8.10, all amounts spent to satisfy the Local Advertising Requirement must be incurred directly by you for approved local advertising and marketing activities.

8.1.1. You will provide to us for our prior review, samples of any and all advertising and promotional material, public relations programs, press releases, radio and television advertising, specialty and novelty items and signs bearing the Marks, before you use them in your local advertising program. With the exception of advertising materials created and provided to you by us, at least fifteen (15) days before using them, you must submit to us all advertising materials you intend to use, which approval will be in our sole discretion. You may not use such materials until they have been approved by us, and you must promptly discontinue use of any advertising material upon our request. If we have not responded to your request in writing within fifteen (15) days of receiving your advertising material, you must resubmit them. If we have not responded to your request in writing within seven (7) days of your resubmitting the material to us, they will be deemed approved.

8.1.2. At your request, we will provide to you advertising and promotional materials that we have pre-approved for you to use in marketing your Storefront. We may require you to reimburse us for our costs of creating them.

8.2. Grand Opening Advertising. You must spend a minimum of between \$1,000 and \$2,500 on grand opening advertising before you begin operating, and within the first two (2) months of beginning to operate, your Storefront. You may choose to spend more.

8.3. Advertising Fund. We and our Affiliate maintain a combined Advertising Fund to promote public awareness of the Marks and to improve our System, including Storefronts and Food Trucks. We and our Affiliate may use the fund to pay for any of the following in our discretion: (i) developing maintaining, administering, directing, preparing, or reviewing advertising and marketing materials, promotions and programs; (ii) public awareness of any of the Marks; (iii) public and consumer relations and publicity; (iv) brand development; (v) research and development of technology, products and services; (vi) website development and search engine optimization; (vii) development and implementation of quality control programs; (viii) conducting market research; (ix) changes and improvements to the System; (x) the fees and expenses of any advertising agency we engage to assist in producing or conducting advertising or marketing efforts; (xi) collecting and accounting for contributions to the fund; (xii) preparing and distributing financial accountings of the fund; (xiii) any other programs we deem necessary or appropriate to promote or improve the System; and (xiv) our and our Affiliates’ expenses associated with direct or indirect labor, administrative, overhead or other expenses incurred in relation to any of these activities. We will not use the Advertising Fund for creating or placing any advertisement that is principally a solicitation for new franchises, but we may include information concerning franchise opportunities in advertising prepared using the Advertising Fund.

8.4. Your Acknowledgement. You agree and acknowledge that the Advertising Fund is intended to maximize general public recognition and acceptance of the Marks for the benefit of the System generally and that we have no obligation, in administering the Advertising Fund, to make expenditures for you that are equivalent or proportionate to your Advertising Fund Contribution, or to ensure that your Storefront or any other particular franchisee within the System benefits directly or pro rata from the advertising or promotion conducted or developed by the Advertising Fund. You further acknowledge that we (and our Affiliates) own all rights, and retain all copyrights, in all design and content developed using the Advertising

Fund, and that we will have sole control over the creative concepts, content, form, and media placement of all advertising and promotional materials developed with the Advertising Fund, as well as the specific ways the Advertising Fund is allocated to production, placement, and other costs. We have no fiduciary duty to you or to any other person with respect to the collection or expenditure of the Advertising Fund. Our sole duty regarding the Advertising Fund is to spend the money only in the ways described in this Article 8. Each Food Truck or Storefront owned by us, or our Affiliate(s), will contribute to the Advertising Fund on the same basis and at the same percentage as you do. We have the right to terminate the Advertising Fund at any time, but we will not do so until all money from the Advertising Fund is spent in accordance with Section 8.3.

8.5. Fund Accounting. All contributions to the Advertising Fund will be deposited into and disbursed from a bank account which may be commingled with our other accounts, except that we will account for the Advertising Fund separately from the other funds in such account(s). Upon your written request that is at least ninety (90) days after the end of the calendar year, we will furnish to you a report for the preceding year showing the expenditures made from the Advertising Fund during such calendar year and amount remaining for use (if any) during the following year. This report will not be audited.

8.6. Advertising “Suggested Retail Prices.” In national or regional advertising programs, we may include suggested retail prices for the goods and services sold by you and our other Storefronts and Food Trucks. We will include within all our advertising the phrase “available at participating locations only” or other cautionary language to advise the consumer that the suggested retail prices may not be adhered to by all our Food Trucks or Storefronts. We may compel you to change suggested retail prices to the extent permitted by state and federal laws and regulations.

8.7. Promotional Campaigns. We may periodically develop and market national, regional, or System-wide promotional and marketing campaigns which may include special discounts or free coupon programs. We will notify you of the creation and provisions of such a program, and we will tell you whether your participation is mandatory or optional. Within five (5) days after receipt of the notice, you will advise us whether or not you wish to participate in an optional program. You must adhere to all provisions of the program. If you elect to be excluded from an optional program, we will have the right to advise consumers, by advertising, sales solicitation or otherwise, that you are not participating. We will establish the discount or coupon programs in our sole discretion and will not have any obligations to consult or confer with you or any other of our Storefronts or Food Trucks with respect to the nature, content or amount of any discount or coupon established pursuant to any program.

8.8. E-commerce. You must display, publish, and distribute information and cooperate with us in our online product sales efforts as we may require and direct without compensation.

8.9. Presence in Local Phone Directories. You will maintain a standard business listing in the local telephone or online directories that service your territory and the areas immediately surrounding the territory.

8.10. Cooperative Advertising. We may, in our discretion, designate geographic areas for purposes of establishing local or regional advertising cooperatives (“**Cooperatives**”) comprised of Storefronts located within such areas. If your Storefront is within the area of an existing Cooperative when you begin operations, or if a Cooperative applicable to your Storefront is established during the Term, you must participate in the Cooperative as we direct. Your required contributions to a Cooperative will be applied as a credit toward satisfaction of your Local Advertising Requirement under Section 8.1. We may set the amount of your required Cooperative contribution in our discretion; however, you will not be required to contribute more than four hundred dollars (\$400) per month in the aggregate toward Cooperative contributions and other local advertising to satisfy the Local Advertising Requirement. In no event will your

participation in a Cooperative create an additional or separate advertising spending obligation beyond the Local Advertising Requirement described in Section 8.1.

8.10.1. Purpose; Governance. Each Cooperative will be organized for the exclusive purpose of administering regional advertising programs and developing, subject to our approval, promotional materials for use by members in local advertising. Each Cooperative will be organized and governed in a form and manner, and will commence operations on a date, that we approve in advance in writing. Each Storefront within a Cooperative will have one (1) vote for any matters on which the Cooperative's members are permitted to vote. We reserve the right to change, in our sole discretion, the form and manner of the organization and governance of any Cooperative and you agree to implement any such change immediately upon notice from us. No changes in the bylaws or other governing documents of a Cooperative will be made without our prior written consent.

8.10.2. Approval. No advertising or promotional plans or materials may be used by a Cooperative or furnished to its members without our prior approval.

8.10.3. Contribution Amount. You and each other member of the Cooperative must contribute to the Cooperative on a monthly or other periodic basis, on such specific days as established by the Cooperative or by us, in an amount determined by the Cooperative or by us in our discretion. To the extent your required Cooperative contributions are intended to satisfy your Local Advertising Requirement under Section 8.1, those contributions will be credited toward that requirement. Nothing in this Agreement limits the ability of the Cooperative's members, acting in accordance with the Cooperative's governance procedures, to approve contribution levels that exceed the Local Advertising Requirement, and you agree to comply with any such Cooperative-approved contribution obligations.

8.10.4. Statements; Audit. The Cooperative must, on an annual basis, prepare an unaudited statement of the Cooperative's financial position and submit them to us. We and our designated agents will have the right to examine, copy, and audit, at our expense, on reasonable notice and during normal business hours, the books, records, and accounts of any Cooperative.

9. OPERATING YOUR STOREFRONT STOREFRONT

9.1. Designated Manager. Your Storefront must at all times be operated under your direct supervision if you are an individual. If you are a Business Entity, your Storefront must be operated under the direct supervision of your manager who: (i) is approved by us; (ii) has successfully completed the Initial Training Program and all other training programs required by us from time to time; and (iii) devotes his or her full time and best efforts to operating your Storefront (your "**Designated Manager**"). We have the right to deal with the Designated Manager on matters pertaining to day-to-day operations of, and reporting requirements for, your Storefront. Your initial Designated Manager is identified on Addendum 1. In the event that the Designated Manager elects to end his/her relationship with you, you must replace the Designated Manager within thirty (30) days and submit his/her qualifications to us for review.

9.2. Authorized Products, Menu, and Standards. You acknowledge that maintaining uniform quality standards is critical to the System. You must advertise, prepare, and sell only the products and services that we approve and designate from time to time (collectively, the "**Authorized Products and Services**"), including the items listed on the Authorized Menu, and you must comply with all specifications, standards, and operating procedures we establish or modify from time to time, whether contained in the Operations Manual or otherwise communicated to you. You must offer for sale all required Authorized Products and Services during all hours of operation, except where we permit limited offerings. You acknowledge that we may add, modify, or discontinue Authorized Products, Services, or menu items at any time, and you must

discontinue selling any product or service we disapprove, even if it was previously approved, within fifteen (15) days after notice. Except as we expressly authorize, you may not advertise or sell Authorized Products or Services outside of your Storefront or to any customer for resale. **ALTHOUGH APPROVED OR DESIGNATED, WE AND OUR AFFILIATES MAKE NO WARRANTIES AND EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO ANY PRODUCTS, SERVICES, INVENTORY, EQUIPMENT (INCLUDING REQUIRED TECHNOLOGY), SUPPLIES, FIXTURES, FURNISHINGS, OR OTHER APPROVED ITEMS. WE DISCLAIM ALL LIABILITY ARISING FROM OR RELATING TO THE PRODUCTS OR SERVICES OF ANY APPROVED OR DESIGNATED SUPPLIER. OUR APPROVAL OR CONSENT DOES NOT CREATE ANY LIABILITY ON OUR PART.**

9.3. Preparation, Recipes, and Approved Suppliers. You must prepare and serve Authorized Products and Services using only the recipes, ingredients, formulas, cooking techniques, processes, portion sizes, appearance, taste, packaging, and presentation that we specify from time to time. You must purchase Authorized Products, ingredients, supplies, and materials only from suppliers we designate or approve, which may include us or our Affiliates, and you acknowledge that we may change approved suppliers, brands, types, models, or specifications from time to time. You agree to maintain all required inventory levels of Authorized Products and to keep on hand all products, ingredients, equipment, and supplies we designate. We may require you to purchase some or all Authorized Products from us or our Affiliates. If you fail to pay an Approved Supplier when due, we may exercise the remedies in Article 6 (including requiring advance payment and replenishment of the Deposit Account). You may not use products purchased from Approved Suppliers for any purpose other than operating your Storefront. We may authorize test marketing of proposed products or services at any Food Truck or Storefront as we deem appropriate.

9.4. Construction, Equipment, and Appearance of the Storefront. In constructing, equipping, and operating your Storefront, you must use only the fixtures, furnishings, equipment (including POS systems, mobile app equipment, digital menu boards, phone systems, and other technology), décor, and signs that we approve as meeting our specifications for quality, design, appearance, function, and performance. You may display only those signs, emblems, logos, lettering, and display materials that we approve, and you may not install or use any unapproved items. You must purchase approved fixtures, furnishings, equipment, signs, and related items only from suppliers we designate or approve (which may include us or our Affiliates), at the then-current prices. We will provide lists of required start-up inventory, equipment, software, furnishings, fixtures, and supplies, and you will establish commercial relationships with Approved Suppliers for specific items, as applicable.

9.5. Alternative Suppliers. With the exception of all food products supplied to you exclusively by us, if you want to make purchases from a supplier other than an Approved Supplier, you must first submit to us a written request to approve the proposed supplier, together with any documentation regarding that supplier that we reasonably request. Within thirty (30) days after receiving a completed request, and completion of such evaluation and testing (if we require), we will notify you in writing of our approval or disapproval of the proposed supplier. We may revoke our approval at any time if we determine, in our sole discretion, that the supplier no longer meets our standards. You must stop purchasing from a disapproved supplier upon notification from us that it has been disapproved. You must reimburse us for the costs we incur in reviewing and evaluating proposed suppliers or proposed supplies, which we define as the hourly wages of our compliance director and associated personnel for the time they spend reviewing your proposed supplies or suppliers, plus fifteen percent.

9.6. Acknowledgement of Markup or Rebates. You acknowledge and agree that we and our Affiliates have the right to a reasonable markup on all items that you are required to purchase from us and our Affiliates. Further, you acknowledge that we may receive from Approved Suppliers periodic volume

rebates or other revenue or consideration as a result of your purchases. You further acknowledge and agree that we are entitled to keep such rebates and revenue for our own use, regardless of whether we choose to do so.

9.7. Maintenance, Renovation and Refurbishment. You must, at your sole expense, do all things necessary to comply with the System, including keeping your Storefront and all of its equipment and assets: (i) in good order and repair, and in compliance with the System requirements as set forth in the Operations Manual or as we otherwise require; and (ii) in a neat, clean, attractive, safe and sanitary condition; replacing equipment, and other assets only with those that we have approved as, in our discretion, they become worn out or otherwise unsuitable for use.

9.7.1. You must make, at your expense, all additions, repairs, replacements, improvements and alterations to your Storefront and your equipment as we determine necessary so that your Storefront, equipment, and assets that are viewed by the public will conform to the System's image, as may be prescribed by us from time to time. You must undertake and complete such additions, repairs, replacements, improvements and alterations within the time and under the terms and conditions, which we may reasonably specify. If, however, any condition presents a threat to customers or public safety, you must address the condition immediately.

9.7.2. No more frequently than once every two (2) years, you must refurbish and update your Storefront at your sole expense to conform to our then-current design, Trade Dress, sign requirements, color schemes, and presentation of the Marks. Otherwise, you recognize and agree that there are no limitations on this obligation, and acknowledge and agree that the requirements of this Section 9.7 are both reasonable and necessary to ensure continued public acceptance and patronage of Food Trucks and Storefronts and to avoid deterioration or obsolescence in connection with the operation of your Storefront.

9.8. Comply with Storefront Ownership Requirements. You agree to refrain from any activity that may jeopardize your right to remain in possession of your Storefront. You also agree to comply with all terms of any agreements affecting the operation of your Storefront.

9.9. Your Employees and Independent Contractors. You agree to maintain a competent, conscientious, trained staff, sufficiently literate and fluent in the English language and in a sufficient number; ensure that your employees and independent contractors provide competent, prompt, courteous, and knowledgeable service, and that they meet our minimum standards (as specified in the Operations Manual) to preserve good customer relations. You are responsible for any employee wages and compensation, payroll taxes and other require withholding, worker's compensation and benefits. You will in no way obligate us for expenses incurred in the operation of your Storefront, including labor costs. You must pay your employees and staff the prevailing wage as dictated by your specific territory, for employees with similar labor skills, people skills and similar job responsibilities. You must require your employees to wear uniforms while working at or for your Storefront of such design and color as we may prescribe in the Operations Manual. You further agree that inside your Storefront, you will post a sign or other document containing language we require explaining the differences between you, their employer or contractor, and us, your franchisor. You must have all of your employees sign our then-current form of Franchise Relationship Acknowledgement. Our current form is attached to our Franchise Disclosure Document as Exhibit G-7. If, during any inspection conducted pursuant to Section 12.2, we determine that any employee or independent contractor of yours is not in full compliance with our required uniform standards, we may charge you an inspection compliance fee of two hundred fifty dollars (\$250) per non-compliant individual, per inspection. This fee is due upon demand and is in addition to, and not in lieu of, any other rights or remedies available to us under this Agreement, including the right to require corrective action, conduct follow-up inspections, assess reinspection fees, or issue a notice of default.

9.10. Operations Manual. You must operate your Storefront in strict compliance with the standard procedures, policies, rules and regulations established by us from time to time and incorporated in the Operations Manual. We have the right to prescribe additions to, deletions from or revisions of the Operations Manual (the “**Updates**”), all of which will be considered part of the Operations Manual. Updates will become binding on you upon delivery, unless we specify a longer period. The Operations Manual and any Updates may implement, interpret, refine, and evolve the System and the standards contemplated by this Agreement, including requirements that result in additional operating costs or capital expenditures. However, Updates will not change the fundamental legal relationship of the parties or the fee structures expressly set forth in this Agreement. You acknowledge that the authority granted to us under this Agreement necessarily contemplates ongoing changes to System standards, and that such changes—when consistent with this Agreement—do not constitute a material alteration of your rights or obligations. While the Operations Manual is designed to protect our reputation and the goodwill of the Marks, it is also designed to control the day-to-day operations of your Storefront.

9.10.1. We are permitted to revise the System, Marks, the various training programs offered to Storefront and their employees, and the Operations Manual at any time, by addition, deletion or other modification to the provisions of the Operations Manual, and such modification will be made in our sole judgment. Such modifications may obligate you to invest additional capital in your Storefront (“**Capital Modifications**”) and/or incur higher operating costs, except as stated in Section 9.7 (which applies to remodels to your Storefront, but not to other Capital Modifications).

9.10.2. Upon the execution of this Agreement, we will loan to you one (1) copy of the Operations Manual (which may be electronic). The Operations Manual and all amendments to the Operations Manual (and copies of it) are copyrighted and remain our exclusive property. They are loaned to you for the Term (and any successor period) and must be returned to us immediately upon the termination or expiration of this Agreement. The contents of the Operations Manual are our Confidential Information. You must not make, or cause or allow to be made, any copies, reproductions or excerpts of all or any portion of the Operations Manual without our express prior written consent. You must keep any physical copies of the Operations Manual up-to-date. You must also keep the Operations Manual in a safe place in your Storefront and ensure that they, and the information, are secured and protected from unauthorized access.

9.11. Consumer Relations and Protection of Goodwill. You must give prompt, courteous and efficient service to the public and operate your Storefront in compliance with the Operations Manual to preserve and enhance the value and goodwill of the Marks and the System. You will uphold, and take reasonable steps to ensure that your Designated Manager and employees uphold high standards of honesty, integrity, and fair dealing in dealing with the general public, customers, other Storefronts, Food Trucks, and us. You must promptly respond to all complaints received from your clients or other individuals in an attempt to resolve the dispute in a reasonable business manner. If we are contacted by a customer of your Storefront who lodges a complaint, we reserve the right (but are not required) to address the customer’s complaints in order to preserve goodwill and prevent damage to the Marks. Nothing in this Section 9.11 or in any other provision of this Agreement is to be construed to impose liability upon us to any third party for any of your actions or obligations.

9.12. Hours of Operation. You must operate no less than seven (7) days in any given week between 11 am and 9 pm, as specified in the Operations Manual, unless different hours have been approved by us based upon the circumstances existing with the Territory.

9.13. Merchant Services. You agree to maintain, at all times, credit-card relationships with the credit- and debit-card issuers or sponsors, check or credit verification services, financial-center services, merchant

service providers, electronic-fund-transfer systems, and near field communication vendors (together, “**Credit Card Vendors**”) that we may periodically designate as mandatory. You agree not to use any Credit Card Vendor for which we have not given you our prior written approval or as to which we have revoked our earlier approval. We have the right to modify our requirements and designate additional approved or required methods of payment and vendors for processing such payments, and to revoke our approval of any service provider. You must acquire, at your expense, all necessary hardware and/or software used in connection with these non-cash systems.

9.14. Compliance With Data Security Guidelines. You must use your best efforts to protect your clients against a cyber-event, identity theft or theft of personal information. You agree to comply with the then-current Payment Card Industry Data Security Standards as those standards may be revised and modified by the PCI Security Standards Council, LLC (see www.pcisecuritystandards.org), or any successor organization or standards that we may reasonably specify. Among other things, you agree to implement the enhancements, security requirements, and other standards that the PCI Security Standards Council (or its successor) requires of a merchant that accepts payment by credit and/or debit cards. You must demonstrate compliance upon reasonable request, which may include having an independent third party Qualified Security Assessor (QSA) conduct a PCI/DSS audit. In the event you are unable to demonstrate full compliance, we may require that you engage the services of an approved vendor to assist you on an ongoing basis. Having a secure managed firewall that meets our system standards is one part of the current requirement. You must at all times be compliant with all other Legal Requirements including: (a) the NACHA ACH Security Framework; (b) the operating rules and regulations of all credit card and merchant services providers; (c) state and federal laws and regulations relating to data privacy, data security and security breaches; and (d) our security policies and guidelines, as they may be amended from time to time.

9.15. Mobile App; Gift Cards and Customer Loyalty Programs. We will provide you with access to the Cousins Maine Lobster® mobile application (“**CML Mobile App**”), which is currently compatible with Android and iOS, and which is comprised of a customer facing loyalty program, mobile & contactless ordering, to-location navigation and added marketing capabilities. The CML Mobile App is a software-as-a-service program is currently provided by our designated supplier. You are required to enable the CML Mobile App service upon opening and will be required to purchase additional equipment and will also be required to carry a monthly subscription for each applicable unit you operate at our then-current monthly subscription fee. You must obtain the equipment necessary to operate the CML Mobile App at your expense. We may also establish separate or additional gift card or customer loyalty programs for use Systemwide. You must acquire and use all computer software and hardware necessary to process the sale of gift certificates and/or stored value cards, loyalty cards and/or customized promotional receipts, and to process purchases made using them and be solely responsible for the service charges related to such processing. You must remit all proceeds from the sale of gift certificates and stored value cards to us or our designee according to the procedures that we prescribe periodically. We will reimburse or credit you (at our option) the redeemed value of gift certificates and/or stored value cards accepted as payment for products and services sold by your Storefront.

9.16. Compliance With Legal Requirements. You agree to maintain the highest health standards and ratings applicable to the operation of your Storefront. You agree to comply with all Legal Requirements and obtain and maintain any and all licenses and permits required by any governmental agencies or otherwise necessary to conduct your Storefront in any jurisdiction in which it operates. You acknowledge that you alone are responsible for complying with Legal Requirements and that we have no obligation to you or any other person for your compliance with Legal Requirements. As between us and you, you are solely responsible for the safety and well-being of your employees and the customers of the Storefront business. You acknowledge and agree that your indemnification responsibilities under this Agreement include your obligations under this Section 9.16. You specifically agree to comply with all applicable health and safety laws, ordinances and regulations so as to be rated the highest available health and safety

classification by the appropriate governmental authorities and to furnish to us copies of all inspection reports, warnings, certificates, and ratings issued by any governmental agency within ten (10) days of your receiving them. If your Storefront is subject to any inspection by any governmental authorities under which it may be rated in one or more than one classification, it must be maintained and operated so as to be rated in the highest available classification with respect to each governmental agency. In the event your Storefront fails to be rated in the highest classification or you receive notice that your Storefront is not in compliance with all applicable standards, you must immediately notify us of such failure or noncompliance

9.17. Lawsuits. You must notify us in writing within five (5) days of your receiving any notification of: (a) the initiation of any action, suit, or legal proceeding against you; or (b) the issuance of any inquiry, subpoena, order, writ, injunction, award or decree of any court, agency, or other governmental instrumentality relating to the Storefront.

9.18. Improvement(s). If you, your Designated Manager, employees, or Owners develop any new concept, process or improvement in the operation or promotion of your Storefront generally (an “**Improvement**”), you agree to promptly notify us and provide us with all necessary related information, without compensation. Any such Improvement will become our sole property and we will be the sole owner of all related copyrights, trademarks, patents, patent applications, and other intellectual property rights. You must fully disclose the Improvement(s) to us, without disclosing the Improvement(s) to others, and you must obtain our written approval prior to using such Improvement(s). You and your Owners agree to assign to us any rights you or your Owners may have or acquire in the Improvement(s), including the right to modify the Improvement, and you and your Owners waive and/or release all rights of restraint and moral rights in and to the Improvement. You and your Owners agree to assist us in obtaining and enforcing the intellectual property rights to any Improvement. In the event that the foregoing provisions of this Section 9.18 are found to be invalid or otherwise unenforceable, you and your Owners hereby grant to us a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense the use of the Improvement to the extent such use or sublicense would, absent this Agreement, directly or indirectly infringe on you or your Owners’ rights to the Improvement.

9.19. Camera System. You must install, operate, and maintain, at your sole cost and expense, a surveillance camera system for your Storefront that complies with our then-current System standards, including minimum retention requirements. You must ensure that the system is continuously operational and capable of recording and retaining video footage for at least thirty (30) days. You must provide us with access to the camera system and recorded footage as part of, and subject to, our inspection, audit, and monitoring rights under Article 12.

9.20. Operating Bank Account. You must, at all times during the entire Term, maintain a minimum average monthly balance in your business operating bank account of fifty thousand dollars (\$50,000), to enable you to properly and fully perform all your duties, obligations and responsibilities.

10. OPERATIONAL ASSISTANCE BY US

10.1. Training. Prior to beginning operation of your Storefront, you and your Designated Manager must attend, and successfully complete, to our satisfaction, an initial mandatory training program in our System, methods of operation, policies, and any other topics as we may determine necessary or appropriate, including but not limited to brand secrets, financial controls, service methods, and maintenance of quality standards (the “**Initial Training Program**”). The Initial Training Program will take place at a location designated by us (which could include a physical location and/or the Internet), which you and your Designated Manager are responsible for attending at your sole expense. You must not commence operation until you and your Designated Manager have completed the Initial Training Program to our satisfaction. If we determine in our sole discretion, based on your performance in the Initial Training Program, that you

are not qualified to operate a Storefront, we have the right to terminate this Agreement. If you do not complete the Initial Training Program to our satisfaction (which shall include passing our then-current management test) or obtain all necessary licenses, we have the right to terminate this Agreement and retain the Initial Franchise Fee, which we will consider fully earned.

10.1.1. Should you have the need to replace your Designated Manager, any replacement Designated Manager (who must be approved by us) must attend the Initial Training Program at a time that it is offered by us within fifteen (15) days of the resignation, termination, or non-approval of your former Designated Manager. We also have the right to require any other management or key personnel to attend and complete our Initial Training Program to our satisfaction, and at your sole expense.

10.1.2. You must pay all lodging, travel and meals, personal expenses, salary and living expenses incurred by you, your Designated Manager, and/or other persons attending any training program.

10.1.3. We will not pay any compensation for services performed by trainee(s) in connection with training or other assistance, including providing services for us, our Affiliate(s) or other franchisee(s).

10.1.4. If you or your Designated Manager have previously attended and successfully completed the Initial Training Program in connection with the operation of another Storefront or Food Truck, we may elect to either: (i) not provide the Initial Training Program to you; or (ii) provide an abbreviated training program.

10.1.5. At our sole discretion, we may require that you and your Designated Manager undergo additional or extended training by us until you and your staff meet our exclusive satisfaction, which will be at your sole expense, and includes but is not limited to trainer daily rates, travel and lodging, airfare and any other costs associated with providing you or any member of your staff with the additional training necessary to continue your business operations to our brand standards.

10.2. On-Site Assistance. For a period of up to seven (7) days, during the time that immediately precedes and follows the opening of your Storefront, we will send between one (1) and three (3) individuals to your Storefront to assist you with initial opening training and marketing, with your initial operations, and finalizing opening procedures. You must have all necessary licenses and permits, and all of your refrigeration, kitchen and cooking equipment must be functioning. You must give us notice that you are ready for this training at least thirty (30) days in advance. Your entire staff must be present for the on-site training. You and your Designated Manager must complete the on-site training to our satisfaction. If you ask for (and we agree to provide) additional training, or we decide that additional on-site training is necessary, we will provide it to you for \$500 per day, plus our travel expenses.

10.3. Initial Advertising and Marketing Assistance. We will draft and create (with your input) a press release and media advisory for you to use with local media in connection with your initial launch campaign. We will also assist you with an initial launch social media campaign. We have the right to exclusively control all social media accounts that you use in connection with your Storefront, but we may (in our sole discretion) permit you to control such accounts during the Term while you are in compliance with this Agreement.

10.4. Periodic Training and On-Site Assistance. At our sole discretion, we may require you, your Designated Manager, and/or previously trained and experienced employees to attend periodic refresher training courses at such times and locations that we designate, which training may (at our option) take place at your Storefront, at another Storefront, or a training facility operated by us. You may also request our

assistance on-site at your Storefront. We have the right to require you to pay our then-current fee (as listed in the Operations Manual) for the additional training. If any training takes place at any location other than a Storefront that we (or our Affiliates) operate, we also have the right to require you to pay for the lodging, travel and meal expenses we incur for our personnel conducting the training. If training takes place somewhere other than your Storefront, you will be solely responsible for the lodging, travel, living and meal expenses for those of your personnel attending the training.

10.5. Meetings, Conferences, or Conventions. We may, in our discretion, hold periodic meetings and/or annual conventions to discuss sales techniques, new Authorized Products and Services developments, bookkeeping, training, accounting, inventory control, performance standards, advertising programs, procedures and other topics, which may include an annual convention. We have the right to require you and your Designated Manager to attend, and we may require you to pay our then-current fee for each person who attends the conference, meeting, or convention on your behalf.

10.6. Advice and Consultation. We will impart to you our selling, promotional and merchandising methods and techniques associated with the System, and will provide to you general guidance. We may (but are not required to) visit your Storefront periodically to consult with you and provide advice.

10.7. Remote Assistance. We will make a representative reasonably available to respond to your questions (by telephone or through the Internet) during normal business hours, as we determine necessary, to discuss your operational issues and support needs. We may also provide to you such periodic individual or group advice, consultation and assistance, rendered by telephone, newsletter or bulletins made available from time to time to all Storefronts, as we may deem necessary or appropriate within our sole discretion. In addition, we may communicate with you concerning new developments, techniques and improvements as we deem appropriate in our sole discretion.

10.8. Site Visits. We may, in our discretion, either directly or by designee visit your Storefront for the purpose of rendering advice and consultation or training with respect to your Storefront, its operation and performance, or to determine whether you are in compliance with System standards. You agree that you and your Designated Manager will meet with us during any site visits.

11. USE OF TECHNOLOGY

POS System and Technology Products. You must purchase and install a point-of-sale system (the “**POS System**”), as well as certain technology products we specify such as digital menu boards and signs (together with the CML Mobile App and POS System, the “**Technology Products**”). You must make all improvements to the Technology Products in the manner, and when, specified by us in writing, even if such improvements require you to spend additional money on the Technology Products as permitted under Section 1.1 (System Modifications). There are no limitations on this obligation. You have sole and complete responsibility for the manner in which your Technology Products interfaces with other systems, including those of us and other third parties, as well as any and all consequences that may arise if your Technology Products is not properly operated, maintained and upgraded.

11.1.1. You must lease or purchase equipment and software for the Technology Products only from Approved Suppliers. This includes Storefront management software, CML Mobile App, and other software and hardware that we require. You may not install, or permit to be installed, any devices, software or other programs not approved by us for use with the Technology Products. You may not authorize the use of the software by anyone else and will not configure, program or change any software programs.

11.1.2. We may from time-to-time designate, develop, or authorize others to develop proprietary or non-proprietary computer applications for use as part of the Technology Products (including, without limitation, the CML Mobile App), which you may be required to purchase and/or license and use in the operation of your Storefront. You must execute any license, sublicense or maintenance agreement required by us or any other Approved Supplier of proprietary or non-proprietary computer applications designated by us.

11.1.3. You must: (a) promptly enter into the CML Mobile App and/or POS System, as applicable, and maintain all information that we require you to enter and maintain; (b) provide to us such reports as we may reasonably request from the data so collected and maintained, and (c) permit us to access your POS System at all times and any time by any commercially available means we specify from time to time. You must cooperate with us to permit us access your POS System and all of its data.

11.2. Ownership of Customer Information and Goodwill. All Customer Information that we obtain from you and that you collect from Storefront customers and all the revenues we derive from such Customer Information will be our property and our Confidential Information that we may use for any reason without compensation to you, including making a financial performance representation in our franchise disclosure documents. You assign and will be deemed to have assigned all rights in Customer Information to us. You will provide copies of all Customer Information to us upon request. At your sole risk and responsibility, we grant you the right to use such Customer Information that you acquire from Customers and other third parties solely in connection with operating the Storefront at any time during the Term of this Agreement, to the extent that your use is permitted by applicable law. Upon expiration of the Term, all copies of Customer Information must be returned to us and removed from your POS System.

11.3. Privacy and Data Protection. You will take all necessary actions to independently: (i) learn and comply with all applicable Privacy Laws; (ii) learn and comply with the requirements of the Operations Manual as they relate to Privacy Laws and the privacy and security of Customer Information; (iii) learn and comply with any posted privacy policy and other representations made to the individual identified by Customer Information that you process, and communicate any limitations required thereby to any authorized receiving party in compliance with all Privacy Laws; (iv) refrain from any action or inaction that could cause us or our Affiliates to breach any Privacy Laws; (v) maintain, and cause adherence by your personnel to all reasonable physical, technical and administrative safeguards and related policies for Customer Information that is in your possession or control in order to protect such Customer Information from unauthorized processing, destruction, modification, or use that would violate this Agreement, our brand standards (which may include a non-exhaustive list of the minimum types of policies that must be implemented) or any Privacy Law; (vi) do and execute, or arrange to be done and executed, each act, document and thing we deem necessary in our business judgment to keep us and our Affiliates in compliance with the Privacy Laws; and (vii) immediately report to us the breach of any requirements in this Agreement or the Brand Standards regarding Customer Information or any Privacy Law, or the theft or loss (or any apparent or alleged theft or loss) of Customer Information (other than the Customer Information of your own officers, directors, shareholders, employees or service providers).

11.3.1. You will, upon request, provide us with information, reports, and the results of any audits performed regarding your data security policies, security procedures, or security technical controls related to Customer Information. You will, upon our request, provide us or our representatives with access to your POS System records, processes and practices that involve processing of Customer Information in order to mitigate a security incident or so that an audit may be conducted. You will indemnify, defend and hold us and our Affiliates, and their respective officers, directors, shareholders, members, managers, partners, employees, servants, independent contractors, attorneys, representatives, agents and associates harmless in connection with any claim or action

arising out of or relating to: (i) any theft, loss or misuse (including any apparently or alleged theft, loss or misuse) of Customer Information; and (ii) your breach of any of the terms, conditions or obligations relating to data security, Privacy Laws or Customer Information set forth in this Agreement.

11.3.2. You will immediately notify us upon discovering or otherwise learning of any theft, loss or misuse of Customer Information. You will, at our direction, but at your sole expense, (i) undertake remediation efforts on your own in concert with our directions, (ii) reasonably cooperate with any remediation efforts undertaken by us and (iii) undertake efforts to prevent the recurrence of the same type of incident, including by paying for any remediation and post-breach monitoring process deemed appropriate by us. You will not make any public comment regarding any data security incident without our approval. Any notifications to the media or customers regarding theft or loss of Customer Information will be handled exclusively by us at our election and neither you nor your personnel may contact customers relating to such theft or loss unless you are under a legal obligation to do so, in which case (i) you must notify us in writing promptly after concluding that you have the legal obligation to notify any customers and (ii) you will limit the notices to customers to those required by the legal obligation or as pre-approved by us. You will reasonably cooperate in connection with any notices to customers regarding theft or loss and you will assist with sending such notices upon request by us.

12. AUDITS; INSPECTIONS

12.1. Financial Planning and Management. You must keep such complete records of your business as a prudent and careful businessperson would normally keep. You must keep your financial books and records as we may from time to time direct in the Operations Manual or otherwise, including retention of all invoices, accounts, books, data, licenses, order forms, payroll records, check records, bank deposit receipts, sales tax records, refunds, cash disbursements, journals and general ledgers. On or before the fifth calendar day of each month, you must submit to us a complete and accurate accounting of your Gross Sales for the previous calendar month in the format we request, which may be electronic, through the CML Mobile App and POS System or otherwise. You will prepare monthly income statements for your Storefront, which we may require you to submit to us. Within thirty (30) days of the end of each calendar quarter, you must submit to us a financial statement prepared according to generally accepted accounting principles for that calendar quarter, and it must be signed and sworn by you to be true and correct. You will maintain an accounting system reflecting all operational aspects of your Storefront, including uniform reports as may be required by us, prepared in accordance with accounting methods utilized and generally accepted for federal income tax return purposes. You will also submit to us current financial statements; forms showing the sales, use, and gross receipt taxes paid by you; and such other reports or documents kept by you as we may reasonably request. You must maintain the records required under this Section 12.1 for a period of three (3) years after the termination, Transfer, or expiration of this Agreement. Finally, you must submit to us, on or before April 30 of each year, signed copies of the federal income tax returns for the previous tax year, of you and of any Owner who owns fifty-one percent (51%) or more of you.

12.2. Inspection Rights and Access to Records. During the Term and for a period of three (3) years following the termination or expiration of the Agreement, we (either directly or through a designated agent) have the right to visit the place where your records are located and inspect all aspects of the operation of your Storefront, at any time during normal business hours and without providing any advance notice to you. You acknowledge that any evaluation or inspection we conduct is not intended to exercise, and does not constitute, control over your day-to-day operation of your Storefront or to assume any responsibility for your obligations under this Agreement.

12.2.1. As part of such visit, we have the right to: (a) inspect your Storefront operating materials and supplies; (b) observe the operations of your Storefront for such consecutive or intermittent periods as we deem necessary; (c) take photographs, movies or video recordings of your Storefront; (d) interview your personnel; (e) conduct customer surveys; (f) inspect and copy any books, Customer Information, records, and documents relating to the operation of your Storefront, including contracts, leases, and material and information generated by or contained in the CML Mobile App and POS System; and (g) select and take products, inventory, supplies, equipment and other items from your Storefront to evaluate whether they comply with our Brand Standards as dictated by the Operations Manual. You must cooperate fully with us in connection with these inspections, observations, surveys and interviews. We may require you or your Designated Manager to correct any issues that we discover during the inspection.

12.2.2. You authorize us or our designee to make reasonable inquiries of your bank, suppliers and trade creditors concerning your Storefront, and by this Agreement you direct such persons to provide us with such information and copies of documents pertaining to your Storefront as we request.

12.2.3. We and our designee have the right to discuss your records and your Storefront with your Designated Manager and/or any officers, directors and employees responsible for maintaining records.

12.2.4. You acknowledge and agree that we will have the continual right to monitor your Storefront and your activities at the Storefront through your camera system, and that we have the right to use the footage from the system for determining your compliance with this Agreement, the Operations Manual, or applicable Legal Requirements.

12.2.5. We will have the right to share your financial information with your actual or perspective landlords or lenders, and among our franchisees generally. We will have the right to use your information in our franchise disclosure document.

12.2.6. If, during an inspection, we determine that your Storefront does not meet or exceed our current minimum score for compliance with our System standards, you must reimburse us for our costs and expenses associated with our legal counsel, inspection, assistance, and our enforcement efforts relating to your non-compliance, as well as a five hundred dollar (\$500) fee for reinspection and our lodging, travel, and living expenses associated with the reinspection.

12.3. Audit. We and/or our designated agents have the right at all reasonable times to examine and copy, at our expense, your books, records, accounts, sales tax records, Customer Information, and business tax returns relating to your Storefront. We also have the right, at any time, to have an independent audit made of your books and records or to require you to participate in a mail-in audit or any other form of audit. You agree to cooperate fully with our representatives and independent accountants in any examination. If an inspection or audit reveals that any payments due to us have been understated in any report to us, then you must immediately pay us the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the rate of one and one half percent (1.5%) per month, or the maximum rate permitted by law, whichever is less. If: (a) you refuse to cooperate with an audit or an inspection; or (b) an inspection or audit discloses an understatement in any report of two percent (2%) or more, you must, in addition to repaying money owed with interest, reimburse us for any and all costs and expenses connected with the inspection (including, without limitation, travel, lodging and wage expenses, and reasonable accounting and legal costs). The remedies in this Section 12.3 are in addition to any other remedies we may have as a result of your underreporting, including but not limited to the right to terminate this Agreement.

12.3.1. You must cooperate in scheduling any audit and providing access to records, which must be maintained and presented in reasonable order to allow the audit to be conducted in a reasonable time.

12.3.2. Your failure, refusal or neglect to dispute any fees or contributions that an audit reveals you owe, including any fees, costs and penalties assessed in connection with an audit, constitutes a waiver of any right to challenge such fees, unless you provides us written notice of your dispute, along with an explanation of the basis for your dispute, within thirty (30) days of the date we deliver the audit results to you in writing.

12.4. Consent to Use of Likeness and Your Storefront. You agree that we have the right to use the likeness (including photographs or videos containing images) of: (a) you; (b) if you are a Business Entity, your Owners; and (c) your Storefront, for any purposes relating to the promotion or marketing of the System or Marks.

12.5. Mystery Shoppers. You acknowledge that we may use mystery shoppers to evaluate you and your Storefront at any time during the duration of the Term of this Agreement.

13. **YOUR OWNERS AND GUARANTORS; RELATIONSHIP BETWEEN THE PARTIES**

13.1. Your Name. You must operate solely under the name identified on **Addendum 1** and may use “Cousins Maine Lobster” or our other Marks **only** as a “doing business as” (d/b/a) designation. You may not use other names in connection with any advertising or operation of your Storefront. We have the right to review and require changes to any display of your name or the Marks.

13.1.1. You may not include “Cousins Maine Lobster” or any of the Marks in your legal name.

13.1.2. In all public records, in relationships with other persons, and on letterhead and business forms, you must indicate that you independently own your Storefront, and that you are solely a franchisee of CML Storefront, LLC.

13.2. Relationship of Parties. We and you intend that this Agreement creates only a franchisor and franchisee relationship, and no other. You have no authority to create or assume in our name or on our behalf, any obligation, express or implied, or to act or purport to act as our agent or representative for any purpose whatsoever. Neither we nor you are the employer, employee, agent, partner or co-venturer of or with one another, each of us being independent from each other. You will not hold yourself out as our agent, employee, partner or co-venturer. Neither you nor we have the power to bind or obligate the other except specifically as stated in this Agreement. We and you agree that the relationship created by this Agreement is one of an independent contractor and not a fiduciary relationship.

13.2.1. We and you are not joint employers of your employees and other personnel. We do not and will not share or codetermine any of your employees’ essential terms and conditions of employment. More specifically, in no case do we have any authority to determine or set your employees’: (1) wages, benefits, and other compensation; (2) hours of work and scheduling; (3) the assignment of duties to be performed; (4) the supervision of the performance of duties; (5) work rules and directions governing the manner, means, and methods of the performance of duties and the grounds for discipline; (6) the tenure of employment, including hiring and discharge; and/or (7) working conditions related to the safety and health of employees. You alone have sole authority to determine any or all of your employees’ essential terms and conditions of employment.

13.2.2. We will not be obligated for any damages, claims, or obligations to any person or property

arising out of your operation of your Storefront, whether caused by your negligent or willful action or failure to act, or your use of the Marks in a manner not in accordance with this Agreement. You must not use the Marks in signing any contract or applying for any license or permit in a manner that may result in our liability for your debts or obligations.

13.2.3. You agree to inform each of your employees and contractors that you alone are their employer, and that we are not. You will explain to your employees and contractors the respective roles of a franchisor and franchisee and our relationship with you. You will request that your employees and contractors sign any acknowledgment or disclosure we reasonably require explaining the differences between us (your franchisor) and you (their employer or contractor).

13.2.4. You acknowledge and agree that you alone will exercise day-to-day control over all operations, activities, and elements of your Storefront, and that under no circumstance will we do so or be deemed to do so. The various requirements, restrictions, prohibitions, specifications, and procedures of the System that you must comply with under this Agreement do not imply that we control any aspect of the day-to-day operations of your Storefront. These standards are meant to guide you in exercising your control over the day-to-day operations of your Storefront.

13.2.5. You acknowledge that we may, from time-to-time, make certain recommendations as to employment policies and procedures, which may include (among other things) a sexual harassment policy. You will have sole discretion in whether to adopt any such policies and procedures, and as to the specific terms of those policies and procedures. Training with respect to all such policies and procedures will be your sole responsibility.

13.3. Owners Agreement. You and each of your Owners must, jointly and severally, sign the Owner Agreement attached as **Addendum 2**, and you and each of your Owners will otherwise bind yourselves to the terms of this Agreement. If the ownership interest is acquired after Effective Date, each new Owner must sign and provide the Owner Agreement to us within ten (10) days after obtaining the interest.

14. **INDEMNIFICATION; INSURANCE**

14.1. Indemnification. You, and each of the Owners identified on **Addendum 1**, agree that you will, at all times, indemnify, exculpate, defend and hold harmless, to the fullest extent permitted by law, us, our successors, assigns, and Affiliates and the respective officers, directors, shareholders, agents, representatives, independent contractors, servants, and employees of each of them (the “**Indemnified Parties**”) from all losses and expenses incurred in connection with any action, suit, proceeding, claim, damages (actual, consequential, or otherwise), demand, losses, liabilities, actions, lawsuits and other proceedings, judgments, awards, investigation, or inquiry (formal or informal), or any settlement of any of them, which arises out of or is based upon any of the following:

14.1.1. The infringement, alleged infringement or any other violation by you, your Owners or principals of any patent, mark, copyright, or other proprietary right owned or controlled by third parties due to your unauthorized use of all or any portion of the Marks and/or System.

14.1.2. Your, or your Owners’, violation, breach, or asserted violation or breach of any federal, state, or local law, regulation, ruling or industry standard.

14.1.3. Your, or your Owners’, libel, slander, or any other form of defamation.

14.1.4. Your employment or other contractual relationship with your employees, workers, managers, or independent contractors, including but not limited to any allegation, claim, finding, or ruling that we are an employer or joint employer of your employees.

14.1.5. Your, or your Owners': (a) violation or breach of any warranty, representation, agreement, or obligation in this Agreement or in any other agreement between you and us or our Affiliates; (b) acts, errors, or omissions, or those by any of your affiliates, any of your principals, officers, directors, shareholders, agents, representatives, independent contractors, or employees in connection with the establishment and operation of your Storefront, including, but not limited to, any acts, errors, or omissions of any of them in the operation of any motor vehicle or in the establishment or implementation of security for your Storefront.

14.1.6. Any damages, incidents, or claims listed in this Section 14.1 that are alleged to be caused by an Indemnified Party's negligence, unless (and then only to the extent that) the claims, obligations, and damages are determined to be caused solely by the Indemnified Party's gross negligence or willful misconduct according to a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction.

We have the right to defend any such action or claim against us at your expense. This indemnification will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. For the purposes of the indemnification in this Section 14.1 only, the term "claim" also includes all obligations and costs incurred in the defense of any claim against any of the Indemnified Parties, including, without limitation, reasonable accountant, arbitrator, attorney, and expert witness fees, costs of investigation and proof of facts, court costs, and other expenses of litigation, arbitration, or alternative dispute resolution and travel and living expenses.

14.2. Mitigation Not Required. Under no circumstances will we or any other Indemnified Party be required to seek recovery from any insurer or other third party, or otherwise to mitigate our, their or your losses and expenses, in order to maintain and recover fully a claim against you. You agree that a failure to pursue such recovery or mitigate a loss will in no way reduce or alter the amounts we or another Indemnified Party may recover from you.

14.3. Insurance. During the Term, you must maintain in force, at your expense, policies of insurance, in the minimum amounts specified by us, issued by carriers approved by us, that have a rating of at least A-by A.M. Best, or the equivalent. Our current required policies and coverage amounts are stated in the Operations Manual. You must also have all other insurance to meet any applicable Legal Requirements, or as required by your local state authorities. We may unilaterally modify our insurance requirements, which modifications may include increasing minimum policy limits, by delivering to you written notice of the change through the Operations Manual. The insurance will include, at a minimum, the following:

14.3.1. Commercial General Liability insurance, including products liability, completed operations, property damage, contractual liability, independent contractors liability, and personal injury coverage with a combined single limit of at least \$1,000,000 per occurrence and \$2,000,000 aggregate, or higher if your state law requires. We, along with our members, directors, agents, and Affiliates, must be named as an additional insured on a primary and noncontributory basis utilizing Insurance Services Offices (ISO) forms CG 20 29 & CG 20 01.

14.3.2. Workers' Compensation and Employer's Liability insurance, and other insurance required by statute or rule of the state in which your Storefront is located or operated. Employer's Liability coverage limits shall not be less than \$1,000,000 each accident for bodily injury by accident and \$1,000,000 each employee for bodily injury by disease.

14.3.3. Business interruption and lost profit insurance providing for at least six months coverage of profits and necessary operating expenses, including Contingent Business Interruption coverage for warehouse locations that Franchisee utilizes in the course of business.

14.3.4. Employment Practices Liability insurance with limits not less than \$1,000,000 each claim and \$1,000,000 aggregate covering claims arising from wrongful acts related to employment, including but not limited to claims of discrimination, harassment, wrongful termination, retaliation, wage & hour claims and other employment-related claims. Coverage must include a Franchisor or joint employer endorsement covering us, along with our members, directors, agents, and Affiliates, on a primary and noncontributory basis against claims arising out of your employment practices.

14.3.5. Automobile liability insurance covering all autos used in the course of your business with limits at least \$1,000,000 Combined Single Limit for Bodily Injury and Property Damage, or higher if your state law requires. We, along with our members, directors, agents, and Affiliates, must be named as an insured utilizing ISO form CA 20 48.

14.3.6. Excess or umbrella liability insurance with limits of not less than \$2,000,000 per occurrence, \$2,000,000 aggregate, \$2,000,000 personal and advertising injury and \$2,000,000 products and completed operations coverage. Excess or umbrella coverage shall also extend over Automobile Liability and Employer's Liability and shall be follow-form with respect to coverage provided to additional insureds.

14.3.7. Insurance coverage for products in transit or food spoilage delivery to you or at your dock.

14.3.8. Unemployment insurance, state disability insurance; and other insurance to meet any applicable legal requirements.

14.4. Other Provisions. You must provide us with thirty (30) days advance written notice of any material modification, cancellation, or expiration of the policy. Each policy must also include a waiver of the insurer's right of subrogation against any of us, and provide coverage for your indemnification obligations under this Agreement.

14.4.1. Continuation of Policy. Regardless of the amounts we state above, it is your responsibility to maintain adequate insurance coverage at all times during the Term of and after the expiration of this Agreement, so that coverage, including but not limited to any policies that are on a "claims made" basis, which through the purchase of an extended reporting endorsement (i.e., "tail" insurance) will be in effect for acts or omissions that occurred prior to the termination of the policy and are reported within a twenty-four (24) month period following the end of the policy period.

14.4.2. Copies of Policies. You must provide us with copies of policies evidencing the existence of the insurance required by this Section 14.3 at least ten (10) days prior to the time you are first required to carry insurance, and thereafter at least thirty (30) days prior to the expiration of any policy, along with certificates evidencing such insurance.

14.4.3. Our Right to Obtain Insurance. In the event you fail to obtain the required insurance and to keep it in full force and effect, we may, but will not be obligated to, purchase insurance on your behalf from an insurance carrier of our choice, and you must reimburse us for the full cost of such insurance, plus an administrative fee equal to twenty percent (20%) of the cost of such premiums, within five (5) days of the date we deliver you an invoice detailing such costs and expenses.

14.4.4. Acknowledgement. You acknowledge that the foregoing minimum insurance requirements do not constitute advice or a representation that such coverages are necessary or adequate to protect you from losses in connection with your Storefront. Nothing in this Agreement prevents or restricts you from acquiring and maintaining insurance with higher policy limits or lower deductibles than we require. Any insurance policies that we carry do not and will not limit or relieve you from any of your obligations under this Article 14.

15. ASSIGNMENT

15.1. By Us. You acknowledge that we maintain a staff to manage and operate the System and that staff members can change as our owners, directors, officers, and employees come and go. You represent that you have not signed this Agreement in reliance on any particular shareholder, director, officer, or employee remaining with us in that capacity. We may change our ownership or form and/or assign this Agreement and any other agreement to a third party without restriction. After our assignment of this Agreement to a third party who expressly assumes the obligations under this Agreement, we no longer will have any performance or other obligations under this Agreement.

15.2. Assignment By You. We have entered into this Agreement in reliance upon and in consideration of your singular personal skill and your qualifications, as well as the trust and confidence we have in you. Therefore, neither your interest in this Agreement, nor any interest in: (a) you; (b) any of your Owners; (c) substantially all of your assets; or (d) your Storefront, can be assigned, transferred, given away or encumbered, voluntarily or involuntarily (a “**Transfer**”), without our prior written consent.

15.2.1. We will not unreasonably withhold approval of a Transfer if you comply with the conditions of this Article 15. Our consent to a Transfer will not be a waiver of any claims we may have against you.

15.2.2. If, after a Transfer approved by us, one of your Owners no longer has any interest in you or your Storefront, then that person will be relieved of liability for any obligations to us that arise *after* the date of the Transfer, except for those obligations that arise under Articles 16 or 18.

15.3. Conditions for Approval of Transfer. We, in our discretion, may impose conditions on granting our consent to the Transfer, which conditions may include any or all of the following:

15.3.1. You and your Owners must be in full compliance with this Agreement, and must have been in substantial compliance with this Agreement during the Term, and must pay all amounts then owed to us or our Affiliates.

15.3.2. Each owner of the transferee must complete and submit all application documents, and pay our then-current application fee, required by us from prospective new franchisees at the time of the assignment and be approved in writing by us.

15.3.3. The transferee must have, at our sole option, either: (i) assumed this Agreement by a written assumption agreement approved by us (which will include a personal guarantee(s) by the transferee, its principals and/or owners of a beneficial interest in transferee), or have agreed to do so at closing; or (ii) executed a replacement franchise agreement on the standard form of franchise agreement we are then offering to new Storefronts, which may differ from this Agreement in all material respects, including but not limited to having a smaller Territory and higher or different fees than were granted in this Agreement.

15.3.4. You must pay us a nonrefundable transfer fee of ten thousand dollars (\$10,000). Of this amount, you must pay two thousand five hundred dollars (\$2,500) at the time you request our approval of the Transfer. The remaining seven thousand five hundred dollars (\$7,500) is due at closing of the Transfer.

15.3.5. At the expense of either you and/or the transferee, any upgrade, remodel, or replacement of the assets used by your Storefront, including any and all of your equipment, to conform to our then-current standards and specifications for new Storefronts, and complete the upgrading, remodeling, or replacing and other requirements within the time specified by us.

15.3.6. Prior to the date of Transfer, your transferee will attend all training at our designated location as required under the-then current franchise agreement being used by us.

15.3.7. You and each Owner must have executed a general release, on our then-current form (our current form is attached to the Franchise Disclosure Document as **Exhibit G-1**), of any and all claims against us and our Affiliates and our and their respective officers, directors, shareholders, managers, members, agents and employees in their corporate and individual capacities; provided, however, that any release will not be inconsistent with any state law regulating franchising.

15.3.8. If any part of the sale price is financed, you must agree that all obligations of the transferee under any promissory note, other payment agreement, or financing statement will be subordinate to the obligations of the transferee to pay the Royalty Fee, Advertising Fund Contribution, and other amounts due to us and our Affiliates pursuant to this Agreement.

15.3.9. You must execute a written agreement not to compete in favor of us and your transferee, with terms the same as those set forth in Sections 16.5 and 16.6.

Upon completion of the Transfer, we will credit the amounts in your Deposit Account to your transferee.

15.4. **Right of First Refusal**. At least sixty (60) days before you intend to Transfer your Storefront, you must give written notice to us of your intention to make a Transfer. This notice must include a fully-executed copy of any sale document, and any documents referred to in that or those document(s).

15.4.1. We will have the right to acquire the transferred interest at the same price, and on the same terms and conditions, as contained in any bona-fide offer from a third party made to you. If we exercise this right, we will do so within thirty (30) days of receiving from you all documents that we reasonably request in connection with the proposed Transfer. If we do not indicate to you our intention to exercise this right within that thirty (30) day period, we will be deemed to have elected not to exercise our right of first refusal. Our credit will be deemed equal to the credit of any proposed buyer (meaning that, if the proposed consideration includes promissory notes, we or our designee may provide promissory notes with the same terms as those offered by the proposed transferee).

15.4.2. We must receive, and you and your Owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in a Business Entity, as applicable.

15.4.3. We have the unrestricted right to assign this right of first refusal to a third party, who then will have the rights described in this Section.

Any material change in the terms of any offer prior to closing will constitute a new offer subject to the same right of first refusal by us. This Section 15.4 will not apply to: (a) a Transfer by you or your Owners to adult children of you or your Owners; or (b) if you are a Business Entity, the Transfer of your shares to an Owner who was identified on Addendum 1 of this Agreement as of the Effective Date and has signed an Owner Agreement with us in the form attached as Addendum 2.

15.5. Limited Assignment Right for Sole Proprietorships or Partnerships. If you are a sole proprietorship or partnership, we expressly consent to the Transfer of this Agreement, without payment of a fee, to a Business Entity owned and controlled by the same Owners, provided that you and each of the Owners execute: (a) an assignment agreement; and (b) the Owner Agreement attached as Addendum 2, and provided that you comply with the requirements of Section 1.6. You must notify us in writing of any proposed Transfer under this Section 15.5 and must provide and/or sign all documents we reasonably request relating to your legal entity including, but not limited to, assignment documents, articles of incorporation or organization and bylaws.

15.6. Death, Disability or Incapacity of You or Your Owners. Upon the death or permanent incapacity (mental or physical) of you or of any Owner who has a controlling interest in you, the executor, administrator, or personal representative of such person must Transfer such interest to a third party approved by us within six (6) months after such death or mental incapacity. Such Transfers, including, without limitation, Transfers by devise or inheritance, will be subject to the same conditions as an inter vivos transfer. In the case of Transfer by devise or inheritance, however, if the heirs or beneficiaries of any such person are unable to meet the conditions of this Section 15.6, the executor, administrator, or personal representative of the decedent must Transfer the decedent's interest to another party approved by us within six (6) months, which disposition will be subject to all the terms and conditions for Transfer contained in this Agreement. If the interest is not disposed of within the six (6) month period, we may, at our option, terminate this Agreement. In the event of your death or disability (if you are an individual), the Transfer of your interest in this Agreement and your Storefront by will or intestate succession, or conveyance of such interest in the event of disability, to your individual heirs, will require our written consent, but will not give rise to our right of first refusal under Section 15.4. However, our right of first refusal will apply to any proposed Transfer or assignment by such heirs.

15.7. Termination, Resignation, Death or Disability of Designated Manager. If, due to termination, resignation, death, or disability, no one is able to perform management or training supervisory duties relating to your Storefront, you must, within a reasonable time not to exceed fifteen (15) days from the date of termination, resignation, death, or disability, appoint a new Designated Manager (as the case may be). Each new Designated Manager must, at your expense, attend and complete the Initial Training Program to our satisfaction within thirty (30) days of their appointment as your new Designated Manager. If, in our sole judgment, your Storefront is not being managed properly, or your employees are not being adequately supervised, at any time after the Designated Manager's termination, resignation, death, or disability, we will have the right (but not the obligation) to exercise our step-in rights under Section 17.8.

16. COMPETITION; PROTECTION OF OUR CONFIDENTIAL INFORMATION

16.1. Your Acknowledgement. You acknowledge that you will obtain knowledge of our Confidential Information that is essential to the operation of your Storefront, without which information you could not effectively and efficiently operate it. You further acknowledge that such Confidential Information was not known to you prior to execution of this Agreement. You further acknowledge and agree that all of the Confidential Information is our sole property, represents our valuable assets, and that we have the right to use the Confidential Information in any manner we wish at any time.

16.2. Use and Disclosure of Confidential Information. You will not use any Confidential Information for any purpose other than in the manner we permit or direct. You may disclose Confidential Information only to such of your employees, agents, independent contractors and representatives as reasonably necessary in order to operate your Storefront. You may not, during the Term or afterward, communicate, divulge or use for the benefit of any other person or entity any Confidential Information, except to such employees and independent agents as must have access to it in order to operate your Storefront, and you agree that your use of Confidential Information for any purpose other than the development and operation of your Storefront in accordance with this Agreement would constitute unfair competition. Any and all Confidential Information may not be used for any purpose other than conducting your Storefront. You agree not to make any copies of, reproductions of, or extracts of any Confidential Information except strictly incidental to, and solely in furtherance and within the scope of your relationship with us. You will never reveal any Confidential Information to any person, except as permitted by this Agreement or pursuant to an order from a court of competent jurisdiction. In the event that you should receive such a court order, you must provide us immediate oral and written notice of such order, and must cooperate with us in protecting the secret nature of the Confidential Information. If you at any time conduct, own, consult with, are employed by, or otherwise assist a similar or Competitive Business, it will be presumed that you are in violation of this covenant, subject to proof to the contrary. It will be your burden to prove that you are not in violation of this covenant.

16.3. Preservation of Confidentiality. You must not permit any person (including your Owners, Designated Managers, principals, officers, directors, independent contractors and employees) to access Confidential Information (including the Operations Manual) without first requiring them to execute confidentiality agreements, in a form we approve, requiring that all Confidential Information that may be acquired by or imparted to such person be held in strict confidence and used solely for the benefit of you and us. All confidentiality agreements described in this paragraph must include a specific identification of us as a third-party beneficiary with the independent right to enforce the agreement. Our current approved forms are attached to our Franchise Disclosure Document as **Exhibits G-2 and G-3.**

16.4. Covenant Not to Compete: During Term. You covenant and agree that, during the Term and any successor term(s), neither you nor your Owners, Designated Manager(s), officers, directors, members, and partners will directly or indirectly own, invest in, partner with, direct, serve as an officer or director for, be employed by, act as consultant for, represent, act as an agent for, or divert or attempt to divert any customer, person, or business to, any Competitive Business anywhere.

16.5. Covenant Not to Compete: After Term. For the reasons stated in Section 16.2 above, you covenant and agree that, for a period of two (2) years after the termination of this Agreement or any successor to this Agreement, regardless of the reason, cause, purpose, or source of the termination (including but not limited to your Transfer of this Agreement), neither you nor your Owners, managers, Designated Manager(s), officers, directors, members, and partners will directly or indirectly own, invest in, partner with, direct, serve as an officer or director for, be employed by, act as a consultant for, represent, or act as an agent for, any Competitive Business within: (a) fifteen (15) miles of the Territory or any Storefront then in existence or under construction; or (b) the territory of any Storefront or Food Truck that is then in operation.

16.6. Covenant Not to Divert Customers. You agree that, during the Term or any successor term(s), and for a period of two (2) years after the termination or expiration of this Agreement or any successor agreement(s), you will not divert or attempt to divert any customer to any Competitive Business.

16.7. You Acknowledge that these Covenants Are Reasonable. You agree that all covenants in this Agreement and in this Article 16 are fair and reasonable in duration, geographic scope, and subject matter, and do not impose any undue hardship on you. You expressly acknowledge that you possess skills and abilities of a general nature, have other opportunities to exploit those skills, and that enforcement of the

covenants in this Article 16 will not deprive you of the ability to earn a living. You further agree that the existence of any claims you may have against us, whether or not arising from this Agreement, will not constitute a defense to our enforcement of the covenants in this Article 16. You acknowledge that any violation of these covenants will cause us irreparable harm for which monetary damages would be inadequate, and you therefore consent to our right to seek injunctive relief to restrain you, or anyone acting for you or on your behalf, from violating such covenants. All remedies available to us under this Article 16 are cumulative and in addition to any other rights or remedies available to us at law or in equity. The covenants set forth in this Article 16 will survive the termination, expiration, or Transfer of this Agreement. You agree to pay all costs and expenses, including reasonable attorneys' fees, that we incur in connection with our enforcement of these covenants.

16.8. Covenants Are Severable; Tolling. Each covenant in this Article 16 is independent and severable from every other covenant and provision of this Agreement. If any covenant or any portion of a covenant in this Article 16 is held unenforceable or unreasonable in scope, duration, or geographic area by a court, an arbitrator, or other tribunal of competent jurisdiction in a final, non-appealable decision, the parties agree that such covenant will be enforced to the maximum extent permitted by law and, to that end, will be modified or limited as necessary to render it enforceable, as if the covenant had originally been drafted in its modified form. Any period of time specified in this Article 16 will be tolled and suspended for any period during which you are in violation of any covenant contained in this Article 16.

16.9. Limited Exclusion. The restrictions contained in Sections 16.4 and 16.5 above will not apply to ownership of less than five percent (5%) of the shares of a company.

17. DEFAULT; TERMINATION

Your defaults under this Agreement fall into three categories: (i) automatic; (ii) immediate with notice; and (iii) subject to cure.

17.1. Automatic Termination Without Notice. You will be in default under this Agreement, and we may automatically terminate all rights granted to you under this Agreement without notice, if any of the following occurs (subject to any contrary provisions of applicable state or federal law): (a) you file, or cause to be filed, a petition in bankruptcy, you are adjudicated bankrupt, or you are judicially determined to be insolvent; (b) you admit your inability to meet your financial obligations as they become due, or you make a disposition or assignment for the benefit of creditors (unless prohibited by law); (c) a receiver, custodian, or similar official (temporary or permanent) is appointed for any of your assets or property; or (d) a final judgment exceeding \$25,000 is entered against you and remains unsatisfied or of record for thirty (30) days or longer (unless a bond is filed or other steps are taken to effectively stay enforcement), provided that we may, in our discretion, allow additional time if you demonstrate commercially reasonable efforts to resolve the matters relating to the judgment.

17.2. Immediate Termination With Notice; No Opportunity to Cure. We may terminate this Agreement immediately, without providing an opportunity to cure, upon written notice to you if any of the following occurs:

17.2.1. Failure to Open. You fail to open your Storefront on or before the Commencement Deadline (as extended, if applicable), through no fault of ours.

17.2.2. Abandonment. Except as may be allowed by us in the Operations Manual or otherwise in writing, you fail to keep your Storefront operating for a period of three (3) or more consecutive days, or engage in any other conduct under which it is reasonable for us to conclude that you have abandoned the operations of your Storefront.

17.2.3. Certain Acts. You, any Designated Manager, or any Owner engages in conduct that is reasonably likely to adversely affect, or reflect unfavorably on, the Storefront, us, the System, the Marks, or associated goodwill, including (without limitation) any felony conviction of you, any Owner, or any Designated Manager.

17.2.4. Unauthorized Assignment. You or any Owner sells, assigns, transfers, or encumbers this Agreement, the Storefront, or any ownership interest in you without our prior written consent, in violation of Article 15.

17.2.5. Failure to Comply With Laws. You fail to comply with any material Legal Requirement applicable to operation of the Storefront and do not cure the noncompliance within the period allowed by law (if any) after notice. If no period is specified, the cure period will be twenty-four (24) hours after receipt of notice.

17.2.6. Repeated Defaults. We deliver to you two (2) or more written notices of default under this Article 17 within any twelve (12)-month period, whether or not the defaults described in those notices are cured.

17.2.7. Understating Gross Sales. You submit, on two (2) or more occasions during the Term, any report, financial statement, tax return, schedule, or supporting record (including through the CML Mobile App or POS System) that understates Gross Sales by more than two percent (2%), unless you demonstrate that the understatement resulted from an inadvertent error or an error by the CML Mobile App or POS System.

17.2.8. Material Misrepresentations. You make any material misrepresentation relating to acquisition of the franchise or operation of the Storefront.

17.2.9. Failure to Allow Audit or Inspection. You refuse to allow, or fail to cooperate with, audits or inspections under Article 12.

17.2.10. Violation of Restrictive Covenants. You or any Owner violates any restrictive covenant in Article 16 relating to competition or Confidential Information.

17.2.11. Interference With Relationships. You interfere, or attempt to interfere, with our actual or prospective contractual relationships with Approved Suppliers, other Storefronts, advertising agencies, or other third parties.

17.2.12. Intellectual Property Misuse. You challenge the validity of, materially misuse, or make any unauthorized disclosure, use, or duplication of the Marks or Confidential Information, except for independent acts of employees or others where you used best efforts to prevent such disclosure or use.

17.2.13. Failure to Pay Amounts Owed. Within five (5) days after we send notice, you fail to: (a) pay amounts due to us, our Affiliates, any Cooperative, the Advertising Fund, or an Approved Supplier (other than amounts subject to a bona fide dispute); or (b) replenish the Deposit Account to maintain a balance of \$20,000 after we apply funds to past-due amounts owed to us or our Affiliates.

17.2.14. Anti-Terrorism Laws. You, or any of your Owners, officers, directors, Designated Managers, managers, members, partners, or agents, violates Anti-Terrorism Laws or makes any misrepresentation regarding compliance with Anti-Terrorism Laws.

17.2.15. Failure of Inspections. You (i) fail to achieve or exceed the minimum score on a System standards inspection two (2) or more times in any twelve (12)-month period; or (ii) fail to correct an operational deficiency noted in a System standards inspection within five (5) days after notice.

17.2.16. Operation Within Another Franchisee's Territory. You advertise, offer, or sell products or services within the protected territory of another System franchise, or otherwise knowingly infringe territorial rights we have granted to a third party.

17.2.17. Sale of Unapproved Seafood, Soups, or Bread. You offer or sell at or from the Storefront any seafood, soup, or bread items not approved by us.

17.2.18. Sale of Other Unapproved Products. You (a) offer or sell at or from the Storefront any unapproved product, service, or program (other than seafood or soup items); (b) fail to sell all required Authorized Products or Services; or (c) fail to use or disseminate required materials, notices, or procedures, and you do not cure within forty-eight (48) hours after notice.

17.2.19. Failure to Participate in Promotional Campaign. You fail to participate in a promotional campaign or discount program, or fail to honor a coupon, on the terms we establish, and you do not cure within five (5) days after notice—unless the program is optional and you previously and timely notified us that you elected not to participate.

17.3. Termination After 14-day Cure Period. We may terminate this Agreement, effective upon delivery of written notice of termination, if you fail to cure any of the following defaults within fourteen (14) days after we deliver written notice of default: (a) failure to obtain or maintain required insurance coverage; (b) failure to obtain or maintain any permit or license necessary to operate your Storefront; (c) an Owner dispute or deadlock that materially affects operation of the Storefront and remains unresolved after the cure period; (d) failure to resolve customer complaints or disputes as required by Section 9.11; or (e) breach of any other term of this Agreement not specifically identified in Sections 17.1 or 17.2, which you do not correct after we provide notice of noncompliance. The description of any breach in any notice we deliver will not limit our right to specify additional or supplemental breaches in any action, arbitration, hearing, or suit relating to this Agreement or its termination.

17.4. Effect of Laws. If applicable law requires a longer cure period than that specified in this Agreement, the longer period will apply. If applicable law does not permit termination as stated in Sections 17.1, 17.2, or 17.3, then the default will be handled under Section 17.3 and will be subject to the notice and cure provisions (including the cure period) specified in Section 17.3. If applicable law requires a longer cure period than the cure period stated in this Agreement, the longer cure period will apply.

17.5. Our Pre-Termination Options. If you fail to pay any amount owed under this Agreement, or fail to comply with any provision of this Agreement or the Operations Manual (in each case, subject to any applicable notice and cure periods), then in addition to our right to terminate this Agreement and/or pursue damages or other remedies, we may take any of the following actions as we deem necessary:

17.5.1. Suspend any services or assistance we provide to you under this Agreement or otherwise, including training, marketing assistance, and the sale of products or supplies.

17.5.2. Remove or omit your Storefront from advertising, marketing, or promotional materials we approve or publish, including directory listings and our principal website.

We may continue any action under this Section 17.5 until you comply with the requirements stated in the applicable notice of default and we acknowledge your compliance in writing. If your default involves failure to pay amounts owed to us, or to our Affiliate for food or inventory you received, then we may also require you to (a) pay all Royalty Fees and Advertising Fund Contributions by wire transfer and (b) prepay by wire transfer for shipments of food and other inventory items from our Affiliate, even if you timely cure the default. The remedies in this Section 17.5 are cumulative and do not limit, waive, or release any obligation you owe to us or our Affiliates, or any other right or remedy available to us.

17.6. Termination by You. You can terminate this Agreement prior to the end of the Term only with our prior written consent, or if we commit a material breach of this Agreement that is not cured within sixty (60) days after written notice from you. If the nature of the breach is such that we will be unable to cure it within the required sixty (60) day period, we can take such additional time as may be reasonably necessary within which to cure said breach provided that we have begun taking corrective action within the sixty (60) day period, and we pursue it diligently to completion.

17.7. Cross-Default. Any default by you under any agreement between you and us or you and our Affiliates, and your failure to cure within any applicable cure period, will be considered a default under this Agreement and will provide an independent basis for us to terminate this Agreement. If the default under the other agreement is such that it would entitle us to immediately terminate that other agreement, then we will be entitled to immediately terminate this Agreement in the manner stated in Section 17.2.

17.8. Step-In Rights and Management. To prevent any interruption in the operation of your Storefront and any resulting harm to the goodwill or reputation of your Storefront, the System, or other Storefronts or Food Trucks, we will have the right, but not the obligation, to assume operation of your Storefront for such period as we deem necessary and practical upon the occurrence of any of the following: (a) your default under this Agreement; (b) our termination of this Agreement under Sections 17.1 through 17.3; (c) our reasonable belief that a condition of your Storefront or any product sold at your Storefront poses a threat to the health or safety of customers; or (d) your death or permanent mental or physical incapacity. You hereby authorize us to take such actions and agree that our operation of, and any corrective actions taken with respect to, your Storefront in the exercise of our reasonable business judgment will not constitute trespass or any other tort and will not be deemed a waiver of any other rights or remedies we may have under this Agreement. If we operate your Storefront under this Section, we will be entitled to collect and pay from the revenues of the Storefront all costs and expenses related to its operation, including, without limitation, Royalty Fees, Advertising Fund Contributions, payments for inventory and supplies (including amounts payable to our Affiliates), employee wages and benefits, reimbursement of our expenses incurred in connection with such operation (including travel, lodging, and living expenses), and our then-current, reasonable management fee. You must indemnify, defend, and hold us harmless from any and all claims, losses, damages, liabilities, and expenses arising out of or relating to the acts or omissions of us or our representatives in exercising our rights under this Section 17.8.

18. POST TERMINATION OBLIGATIONS

Upon termination or expiration of this Agreement for any reason, or (to the extent applicable) a Transfer by you:

18.1. Cease Use of Marks and System Materials. You must immediately cease all use of the Marks, Trade Dress, Operations Manual, System, Confidential Information, Intellectual Property, and all materials

relating to the System and its operation. You must not use any trademark, trade name, service mark, or other commercial symbol that indicates or suggests any present or prior association with us.

18.2. Representations of Affiliation. You must immediately cease representing, directly or indirectly, that you are or were our franchisee or that you are or have been affiliated with us. You must take all affirmative steps necessary to remove all use of the Marks from your Storefront and related materials. At our request, you must assign to us all rights to telephone numbers, email addresses, URLs, domain names, social media accounts, internet listings, and online accounts associated with the Storefront. If you fail to comply, we may execute any documents necessary to effectuate such actions on your behalf, and you irrevocably appoint our manager or president as your attorney-in-fact for that purpose. You must cancel all fictitious, assumed, or trade name registrations incorporating the Marks and must never use any name, mark, or symbol that is confusingly similar to the Marks.

18.3. Payments; Security Interest. Within seven (7) days after expiration or termination of this Agreement (or such later date as amounts are determined by us), you must pay all sums owed to us or our Affiliates, including, without limitation:

18.3.1. The balance of all outstanding and unredeemed gift cards issued by you;

18.3.2. All interest, damages, costs, and expenses, including reasonable attorneys' fees, incurred by us, whether incurred before or after termination;

18.3.3. Liquidated Damages, if applicable; and

18.3.4. All other costs and expenses, including, without limitation, reasonable attorneys' fees, costs, and expenses incurred by us in obtaining injunctive or other relief to enforce the provisions of this Agreement.

You grant to us a security interest, subordinate only to any purchase-money security interest, in all equipment, inventory, supplies, furniture, fixtures, and other goods used in connection with your Storefront until all amounts owed are paid in full. This Agreement constitutes a security agreement for that purpose, and you must execute all documents we require to perfect our security interest. We may apply any amounts remaining in your Deposit Account to amounts you owe us or our Affiliates.

18.4. Return of Operations Manual and Other Confidential Information. Within ten (10) days after termination, you must deliver to us the Operations Manual and all Confidential Information, Intellectual Property, Customer Information, records, files, software, correspondence, and other materials relating to the operation of the Storefront, including all copies, whether held by you or any third party on your behalf. You will retain no copies, except your copy of this Agreement, correspondence between the parties, and documents you reasonably require to comply with Legal Requirements.

18.5. Modify Appearance of Storefront. If we do not exercise our right to obtain an assignment of your Lease, you must promptly make reasonable modifications to the interior and exterior of any retained Storefront to remove all Marks and otherwise eliminate any identification with the System, including any alterations necessary to avoid consumer confusion.

18.6. Our Right to Purchase Tangible Assets. We have the option to purchase any or all inventory, equipment, supplies, advertising materials, and signs used in connection with the Storefront (the "Assets") for a purchase price equal to the lesser of your cost or the fair market value of the Assets. We may exercise this option by written notice delivered before or within thirty (30) days after expiration or termination of this Agreement, and we may set off against the purchase price any amounts you owe us or our Affiliates. If

we and you do not agree on fair market value within ten (10) days after our notice, fair market value will be determined by three (3) independent appraisers experienced in valuing food-service equipment and inventory. You and we will each select one appraiser within fifteen (15) days, and the two appraisers will select a third. If they cannot agree, the third appraiser will be appointed by a neutral appointing authority. The average of the three appraisals will determine fair market value. We and you will share the appraisers' fees equally. Closing will occur within thirty (30) days after the purchase price is determined, at which time we will pay the purchase price (net of any permitted setoff) and you will deliver possession of the Assets and customary transfer documents.

18.7. Liquidated Damages. If this Agreement terminates before the end of the Term (other than due to a mutual termination, your valid termination under Section 17.6, or an approved Transfer), you must pay "**Liquidated Damages**" within fifteen (15) days after termination. The parties agree that Liquidated Damages are not a penalty, and that it would be impracticable or extremely difficult for us to calculate the actual amount you would have been obligated to pay us as Royalty Fees and Advertising Fund Contributions through the end of the Term. Liquidated Damages equal the greater of (a) the average combined monthly Royalty Fees and Advertising Fund Contributions owed during the six (6) months preceding termination (without regard to any waivers or reductions), or (b) \$3,500, multiplied by the lesser of (i) twenty-four (24) or (ii) the number of full months remaining in the Term.

18.8. Use of Customer Information and Other Information. We retain the right, during and after the Term, to access and use: (i) all sales, transaction, and operational data reported through the POS System, CML Mobile App, or other reports; (ii) all Customer Information; and (iii) contact information for you and your Owners. We may use this information for business purposes, including marketing, public relations, analytics, complaint resolution, and quality control. After termination, we have the exclusive right to use and share Customer Information with other Storefronts as we deem appropriate.

18.9. Comply with Covenants. You must comply with all covenants and obligations that survive termination, expiration, or Transfer, including those set forth in Article 16.

18.10. Termination Without Prejudice. Expiration or termination of this Agreement does not relieve you of any obligations existing at the time of termination, nor any obligations that by their nature survive the expiration or termination of this Agreement. Termination is without prejudice to our rights, and in the event of termination resulting from your breach, we retain all rights and remedies available at law or in equity.

19. GOVERNING LAW; DISPUTE RESOLUTION

19.1. Governing Law. This Agreement is governed by and must be interpreted in accordance with the laws of the state of Maine, without reference to conflict of laws principles. By agreeing to the application of Maine law, the parties do not intend to make this Agreement or their relationship subject to any franchise, dealership, distributorship, business opportunity, or other statute, rule, or regulation of the state of Maine to which this Agreement or the parties' relationship would not otherwise be subject without the application of this Section 19.1. This Agreement may be deemed to be amended from time to time as may be necessary to bring any of its provisions into conformity with valid applicable laws or regulations.

19.2. Mandatory Mediation. Except as provided in Section 19.4, if any Dispute cannot be settled through direct discussions, the parties agree to submit the Dispute to mediation before resorting to arbitration. Mediation will be administered by the American Arbitration Association ("AAA") under its then-current Commercial Mediation Procedures ("**Mediation Procedures**") and before a mediator selected under them. Mediation will not defer or suspend our exercise of any termination right under Article 17. All aspects of the mediation process will be treated as confidential, may not be disclosed to others, and must not be offered or admissible in any other proceeding or legal action whatsoever.

19.2.1. Deadline for Mediation. The party requesting mediation must provide written notice of the request for mediation to the other party in the manner prescribed in the Mediation Procedures. The request must specify with reasonable particularity the matters for which mediation is sought. Mediation must be concluded within thirty (30) days of the issuance of the written request for mediation, or such longer period as the parties may agree upon in writing.

19.2.2. Location. The mediation must be held in Portland, Maine or at the AAA office closest to our then-current headquarters if we are no longer headquartered in Portland, Maine.

19.2.3. Cost of Mediation and Consequences of Failure to Comply. The parties will equally share the cost of the mediation, including administrative costs and mediator fees. Should a party refuse to pay its share of the costs and fees in advance of mediation, that party will be in default of this Agreement, and the Dispute may proceed directly to arbitration without mediation. Any costs or fees, including attorney fees, incurred by the non-defaulting party in pursuing mediation may be sought as damages in arbitration.

19.3. Arbitration. Except as specifically provided in this Agreement, any Dispute that is not resolved through mediation must be settled by binding arbitration administered by the American Arbitration Association in accordance with its then-current Commercial Arbitration Rules (“**Commercial Rules**”). Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction over the parties.

19.3.1. Governed by Federal Arbitration Act. The parties acknowledge that this Agreement evidences a transaction involving interstate commerce, and that any arbitration conducted under this Agreement will be governed by the Federal Arbitration Act (9 U.S.C., Secs. 1-16). The parties intend and agree that any state laws attempting to prohibit arbitration or void out-of-state forums for arbitration are preempted by the Federal Arbitration Act, and that arbitration must be conducted as provided in this Section 19.3.

19.3.2. Appointment of Arbitrator. The Dispute will be heard by a single arbitrator, chosen in accordance with the Commercial Rules. The arbitrator, and not any court, will have the sole authority to decide the Dispute, as well as to determine arbitrability of any Dispute.

19.3.3. Qualifications of the Arbitrator. At the option of either party, the arbitrator must be selected from a list of retired federal or state judges supplied by AAA, if available, who have substantive experience in franchise law.

19.3.4. Claims Barred. In connection with any arbitration proceeding, each party must submit any Dispute or claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) in the arbitration. Any such claim which is not submitted or filed as described above will be forever barred.

19.3.5. Payment of Fees and Costs. The parties will equally bear all administrative costs and arbitrator fees in accordance with the Commercial Rules. The parties agree that failure or refusal of a party to pay its required share of the deposits for arbitrator compensation or administrative charges will constitute a waiver by that party to present any evidence or cross-examine witnesses. In such event, the other party will be required to present evidence and legal argument as the arbitrator may require for the making of an award. Such waiver will not allow for a default judgment or award against the non-paying party in the absence of evidence presented as provided for above.

19.3.6. Mandatory Exchange of Information. The parties must exchange the following information within twenty (20) days of the appointment of the arbitrator without further order from the arbitrator. The parties must exchange the name and, if known, the address and telephone number of each individual likely to have information regarding any matter not privileged which is relevant to the subject matter involved in the Dispute, regardless of whether it relates to the claim or defense of the party or that of another party to the Dispute. The disclosure must include any witness anticipated for impeachment or rebuttal. The identifying party must identify the subject(s) on which the witness may provide testimony. The parties must also disclose and provide a copy of all documents, data compilations, and tangible things that are in the possession, custody, or control of the party regarding any matter not privileged which is relevant to the subject matter involved in the Dispute, regardless of whether it relates to the claim or defense of the party or that of the other party. The arbitrator may entertain a request to compel the exchange of information or documents not provided by a party in possession of them.

19.3.7. Discovery. Each side may take three (3) depositions. Neither side's depositions may consume more than a total of eighteen (18) hours. No party may make a speaking objection at a deposition, except to preserve privilege. The total period for the taking of depositions shall not exceed six weeks. No interrogatories or requests to admit may be propounded by either party.

19.3.8. Location. The arbitration must be held in Portland, Maine or at the AAA office closest to our then-current headquarters if we are no longer headquartered in Portland, Maine.

19.3.9. Time of Final Arbitration Hearing or Written Decision. The final arbitration hearing for must be held no later than nine (9) months from the date of the arbitration demand. Except as otherwise noted in this Agreement, hearings will take place under the Commercial Rules.

19.3.10. Timing; Type of Award. The arbitrator must agree to comply with the schedule stated in Section 19.3.9 before accepting appointment. However, this time limit may be extended by the arbitrator for good cause shown, or by mutual agreement of the parties. The award of the arbitrator must be accompanied by a reasoned opinion, but they may not declare any trademarks owned by us or our Affiliates generic or invalid.

19.4. Injunctive Relief. You acknowledge that a breach of this Agreement by you, which relates to any of the matters set out below, will cause us irreparable harm for which monetary damages are an inadequate remedy. Therefore, in addition to any other remedies we have under this Agreement, we are entitled to seek and obtain the entry of temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Agreement with respect to: (i) the Marks; (ii) the System; (iii) Intellectual Property; (iv) the obligations of you upon termination or expiration of this Agreement; (v) Transfers; (vi) Confidential Information; (vii) covenants not to compete with us; and (viii) any act or omission by you or your employees that: (a) constitutes a violation of any Legal Requirement; (b) is dishonest or misleading to customers of your Storefront or other Storefronts or Food Trucks; (c) constitutes a danger to your employees or to the public; or (d) may impair the goodwill associated with the Marks or the System. You are entitled to seek and obtain the entry of temporary and permanent injunctions to prevent our improper termination of this Agreement. The parties agree that such requests may be heard by the arbitrator or by a court (subject to Section 19.10), at the election of the party seeking the same. Neither party will be required to first mediate any claim for injunctive relief. Should a party elect to have its request heard by arbitrator, all such requests shall be heard in accordance with the then-current Commercial Rules. Neither party is required to post a bond or other security with respect to obtaining injunctive relief. If we secure any such injunction, you agree to pay to us an amount equal to the aggregate of our costs and expenses, including without limitation reasonable attorney fees, costs, and expenses, that we incur in obtaining such relief. You agree that your sole remedy, in the event of the entry of such injunction, will be the dissolution of such injunction, if

warranted, upon hearing duly held. You waive all claims for damages by reason of the wrongful issuance of any such injunction.

19.5. Waiver of Right to Jury Trial. Each party hereby irrevocably waives its rights to trial by jury regarding any Dispute or proceeding arising out of this Agreement or the transactions relating to its subject matter.

Your Initials: _____ Our Initials: _____

19.6. Waiver of Right to Bring Class, Group, or Collective Action. Arbitration or litigation of any Dispute must proceed solely on an individual basis. The parties expressly and irrevocably waive the right for any Dispute to be arbitrated or litigated on a class action basis, or on bases involving Disputes arbitrated or litigated in a purported representative capacity on behalf of others. The authority of a court or arbitrators to resolve Disputes and make written awards or judgments is limited to Disputes between you and us alone. Disputes may not be joined or consolidated with any other Dispute(s) unless agreed to in writing by all parties. No arbitration award or court decision will have any preclusive effect as to issues or claims in any Dispute with any person or entity not a named party to the arbitration. No previous course of dealing will be admissible to explain, modify, or contradict the terms of this agreement.

Your Initials: _____ Our Initials: _____

19.7. Waiver of Claim for Punitive Damages. To the extent permitted by applicable law, neither of the parties may assert, and each party waives, any claim against the other party (including their respective Affiliates, partners, stockholders, members, officers, directors, agents, employees and controlling persons), on any theory of liability for special, indirect, consequential, or punitive damages (as opposed to direct or actual damages) for any Dispute. The parties further agree that in the event of a Dispute, each of the parties will be limited to the recovery of any: (a) actual damages sustained by it; (b) Liquidated Damages as provided in Section 18.7; and (c) statutory trademark law treble damages. If such claims for punitive damages cannot be waived by law, then the parties agree that any recovery will not exceed two (2) times actual damages.

Your Initials: _____ Our Initials: _____

19.8. Limitations of Claims. If you or we discover an arbitrable claim, the party discovering that claim will have one (1) year from the date of discovery but not to exceed two (2) years from the date the claim occurred, in which to settle the claim or to commence arbitration on the claim. Otherwise the claim or demand will be deemed abandoned and will be barred. This limitations period will not apply to a claim by either party seeking indemnification under this Agreement.

19.9. Legal Fees and Expenses. In any arbitration conducted under this Agreement, the arbitrator must award to the prevailing party, if any, all of its Costs and Fees. In any judicial proceeding that is expressly permitted under this Agreement, the court must award to the prevailing party, if any, all of its Costs and Fees. **“Costs and Fees”** mean all reasonable costs and expenses incurred in connection with the dispute or proceeding (whether incurred before or after an award or judgment), including, without limitation, arbitrator fees, administrative fees, mediator fees, court costs, reasonable attorneys’ fees, expert witness fees, costs of investigation and proof of facts, travel expenses, and actual out-of-pocket expenses such as copying and telephone charges. The “prevailing party” is the party that obtains the greatest net relief, whether monetary or non-monetary. If neither party obtains monetary relief, the prevailing party will be the party that prevails on a majority of the material issues decided, as determined by the arbitrator or court, as applicable.

19.10. Choice of Forum. To the extent that a judicial action is expressly permitted by Section 19.4, the parties agree that any such cause of action, claim, suit or demand allegedly arising from or related to the terms of this Agreement or the relationship of the parties must be brought in a court of competent jurisdiction in Portland, Maine or, if our principal place of business is in a city other than Portland, Maine, then the federal or state court for the jurisdiction in which we then have our principal place of business. **Both parties irrevocably submit themselves to, and consent to, the exclusive jurisdiction of said courts. This Section 19.10 will survive the termination of this Agreement. You acknowledge that you are aware of the business purposes and needs underlying the language of this Section 19.10.**

20. GENERAL PROVISIONS.

20.1. Severability. All provisions of this Agreement are severable. If pursuant to the decision of any court having jurisdiction, any provisions are not enforceable in whole or in part, the remainder of this Agreement will continue to be in full force and effect, and the affected provisions will be superseded and modified by such applicable law.

20.2. Approvals. Whenever this Agreement requires our prior approval or consent before you take any action, you must make a timely written request to us, and our approval or consent must be obtained in writing. We will not unreasonably withhold or unreasonably delay our response. By providing any waiver, approval, consent, or suggestion to you or in connection with any consent, or by reason of any neglect, delay, or denial of any request, we make no warranties or guarantees upon which you may rely, and assume no liability or obligation to you.

20.3. No Modifications; Waivers. No waiver or modification of this Agreement or of any covenant, condition, or limitation will be valid unless it is made in writing and duly executed by the party to be charged with it. No evidence of any waiver or modification may be offered or received in evidence in any proceeding between the parties arising out of or affecting this Agreement, or the rights or obligations of any party, unless such waiver or modification is in writing, duly executed. Our waiver of your breach of any term of this Agreement applies only to that one breach and that one term, and not to any subsequent breach of any term. Acceptance by us of any payments due under this Agreement will not be deemed to be a waiver by us of any preceding breach by you of any term.

20.4. Force Majeure. Except for monetary obligations under, or as otherwise specifically provided for in, this Agreement, if either party to this Agreement is delayed or hindered in or prevented from the performance of any act required under this Agreement by Force Majeure, then performance of such act is excused for the period of the delay, but no such delay will exceed ninety (90) days. If your Storefront is damaged or destroyed due to a Force Majeure event, you must initiate within thirty (30) days (and continue until completion) all repairs or reconstruction to restore your Storefront to its original condition. If, in our reasonable judgment, the damage or destruction is of such a nature that it is feasible, without incurring substantial additional costs, to repair or reconstruct your Storefront in accordance with the then-standard layout and décor specifications for Storefronts, we may require you to repair or reconstruct your Storefront in accordance with those specifications.

20.5. Rights are Cumulative. Our and your rights under this Agreement are cumulative, and no exercise or enforcement by us or you of any right or remedy will preclude our or your exercise or enforcement of any other right or remedy which we or you are entitled by law to enforce, except as specifically limited by this Agreement.

20.6. Captions. All captions in this Agreement are intended for the convenience of the parties, and none may be deemed to affect the meaning or construction of any provision of this Agreement. Wherever the word “including” is used, it means “including but not limited to.”

20.7. Persons Bound. This Agreement will be binding on the parties and their respective successors and assigns.

20.8. Rules of Construction. Neither this Agreement nor any uncertainty or ambiguity in this Agreement may be construed or resolved against the drafter of this Agreement, whether under any rule of construction or otherwise. Terms used in this Agreement that are not defined must be construed and interpreted according to their ordinary meaning. If any provision of this Agreement is susceptible to two (2) or more meanings, one of which would render the provision enforceable and the other(s) which would render the provision unenforceable, the provision must be given the meaning that renders it enforceable.

20.9. Notices. Except as otherwise expressly provided herein, all written notices and reports permitted or required to be delivered by the parties will be deemed so delivered: at the time delivered, if by hand; one (1) business day after transmission, if by overnight delivery service; one (1) business day after transmission, if by facsimile or other electronic system expressly approved in the Operations Manual as appropriate for delivery of notices under this Agreement (with confirmation copy sent by regular U.S. mail); or three (3) business days after placement in the United States Mail by Certified Mail, Return Receipt Requested, postage prepaid. Information for notices is as follows, and you will immediately notify us of any changes to the following contact information:

If to us: CML Storefront, LLC 125 John Roberts Road, Unit #2 South Portland, ME 04106	If to you: The address listed in <u>Addendum 1</u>
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20.10. Execution/Counterparts. This Agreement may be executed in counterparts (including by electronic or PDF signature), each of which is deemed an original, and all of which together constitute one agreement.

20.11. Survival. All provisions, including the understandings, representations and warranties, which, as a matter of logic or otherwise, need to continue in force and effect subsequent to and notwithstanding the expiration or termination of this Agreement in order to achieve an intended result, will continue in full force and effect despite the absence of such specific language with respect to each of them.

20.12. Third Party Beneficiaries. This Agreement is not for the benefit of any third parties and is only for the benefit of you, us, and our Affiliate(s). Our Affiliate(s) have the right to enforce any terms of this Agreement.

20.13. Release for Prior Agreements. If you or any of your Affiliates, Owners, managers, directors, officers, agents, servants, and employees, have before the date of this Agreement signed any other agreement with us or any of our Affiliates, you hereby release, acquit and forever discharge us and our respective parents, subsidiaries, Affiliates, and successors in interest, and each of their respective directors, officers, agents, servants, employees, whether specifically mentioned herein or not, of and from any and all liability, actions, causes of action, claims, debts, demands, damages and liabilities to person(s) or property, costs, expenses and compensation of every nature, kind and character whatsoever, whether known or unknown, foreseen or unforeseen, direct, indirect, contingent or actual, liquidated or unliquidated, whether statutory, contract, or in tort on account of or in any way connected with or related to our, or our Affiliate's, offer, sale, grant of, construction, subleasing, operation of, assistance with operation of, or development of

franchises or franchise rights in any and all franchise locations awarded at any time to the undersigned and from the inception of any contact with us to the Effective Date. It your express intention that this release be as broad as permitted by law, but this Release does not apply to claims that arise under the Washington Franchise Investment Protection Act, chapter 19.100 RCW, or the rules adopted thereunder in accordance with RCW 19.100.220.

20.14 Entire Agreement. This Agreement, the Addenda attached to it, and any other agreements executed by you and us concurrently with our execution of this Agreement represent the entire fully integrated agreement between you and us, and supersede all other negotiations, agreements, representations, and covenants, oral or written. Notwithstanding the foregoing, nothing in this Agreement will disclaim or require you to waive reliance on any representation that we made in the Franchise Disclosure Document (including its exhibits and amendments) that we delivered to you in connection with this offering. Except for those changes permitted to be made unilaterally by us, no amendment, change or variance from this Agreement will be binding on either party unless mutually agreed to in writing by you and us, and executed by your and our authorized officers or agents.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date we sign the Agreement in our signature block below (the “**Effective Date**”).

CML STOREFRONT, LLC

FRANCHISEE:

By: _____

By: _____

Print Name: _____

Print Name: _____

Its: _____

Its: _____

Date: _____

Date: _____

APPENDIX

GLOSSARY OF TERMS

AAA: Defined in Section 19.2.

Affiliate: A person or Business Entity which is united, attached, connected, or allied with, or is controlling or under common control with a party.

Agreement: This franchise agreement and any of its amendments.

Anti-Terrorism Laws: Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the 15.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the 15.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the 15.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies and any other requirements of any Governmental Authority (including without limitation, the United States Department of Treasury Territory of Foreign Assets Control) addressing or in any way relating to terrorist acts and acts of war.

Approved Suppliers: The various companies with which we and / or our Affiliates have authorized to sell products or services to you (including Authorized Products or Services), or are contracted to do business with us and / or our Affiliates, and which may provide products to you through us and / or our Affiliates. Our Affiliate is the only Approved Supplier of lobster, seafood and certain inventory items that you must purchase and sell.

Assets: Defined in Section 18.6.

Authorized Products and Services: The (a) products and items, and (b) services, that we specify or approve from time to time in the Operations Manual or otherwise in writing for sale or provision at or from your Storefront, in each case to be prepared, sold, manufactured, rendered, and/or provided strictly in accordance with our standards and specifications.

Advertising Fund: The marketing and promotional fund that we operate in accordance with Article 8, using the Advertising Fund Contributions we receive from our franchisees.

Advertising Fund Contribution: Defined in Section 6.3.

Business Entity: A corporation, a general or limited partnership or a limited liability company.

Capital Modifications: Defined in Section 9.10.

CML Mobile App: Defined in Section 9.15.

Commencement Deadline: Defined in Section **Error! Reference source not found..**

Commercial Rules: Defined in Section 19.3.

Competitive Business: Any business that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) products that are the same as or similar to those provided by Storefronts or in which Intellectual Property or other Confidential Information could be used to the disadvantage of us, any of our Affiliates, or any Storefront or Food Truck, other than a franchise operated under a franchise agreement with us. A “Competitive Business” will not include a Storefront or Food Truck operated under a Franchise Agreement with us.

Confidential Information: Our confidential and/or proprietary information including without limitation: sales and marketing methods and data; information regarding the System; operating and other business data; computer programs; trade secrets; the Intellectual Property; business plans; advertising and promotional methods; financial information and data; product information; information regarding current or prospective customers, other Storefronts, agencies, Approved Suppliers, and other related information; the economic and financial characteristics of the System, the Storefront, and other Storefronts or Food Trucks; capital and debt structures; our recipes; Customer Information; and the Operations Manual. Confidential Information will not include information which was known to you and in actual commercial use by you or generally within the industry, in the manner and combination disclosed: (a) at or prior to the time you received it; or (b) at or prior to the Effective Date, whichever occurred first.

Cooperatives: Defined in Section 8.10.

Credit Card Vendors: Defined in Section 9.13.

Customer Information: Any information that: (i) can be used (alone or when used in combination with other information) to identify, locate or contact an individual; or (ii) pertains in any way to an identified or identifiable individual. Customer Information can be in any media or format, including computerized or electronic records as well as paper-based files.

Delayed Opening Fee: Defined in Section **Error! Reference source not found..**

Deposit Account: Defined in Section 6.6.

Designated Manager: Defined in Section 9.1.

Dispute: Any and all disagreements, controversies, or claims of any sort between you and us or our Affiliates arising out of, or in any way relating to, this Agreement, any of the parties' respective rights and obligations arising out of this Agreement, or the making, performance, breach, interpretation, or termination of this Agreement, including any claims based in tort.

Effective Date: The date we sign the Agreement, as indicated in our signature block.

EFT: Defined in Section 6.5.

Food Truck: A vehicle equipped with cooking facilities from which food is prepared and sold under the System and the Marks using our Intellectual Property and Confidential Information, and which can be in the form of a truck, mobile container, cart or other design which has the capacity of mobility.

Force Majeure: This includes war, riot, strikes, materials shortages, fires, floods, earthquakes, and other acts of God, or governmental action or force of law, but excluding a shortage of funds, which results in your or our inability to build, equip, or operate your Storefront or otherwise perform an obligation under this Agreement, and which the party responsible for performance could not by the exercise of due diligence have avoided. Force Majeure does not excuse any of your obligations to pay us or our Affiliate(s).

Gross Sales: All consideration, whether by cash, credit, in kind, checks, gift certificates, scrip, coupons, services, property or other means of exchange, or otherwise, derived directly or indirectly from the operation of your Storefront, including the credit value given for all merchandise trades, the full retail value of any item sold at your Storefront (regardless of any discounts or giveaways), the full retail value of any gift certificate or coupon sold for use at your Storefront (fees retained by or paid to third party sellers of such gift certificates or coupons are not excluded from Gross Sales), and insurance proceeds and/or condemnation awards for loss of sales, profits or business; provided, however, that "Gross Sales" does not include:

- (i) the amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales and collected from customers, provided that the amount of any such tax is shown separately and, in fact, paid by you to the appropriate governmental authority; or
- (ii) tips from customers given to your employees.

Gross Sales are deemed received by you at the time the products or services from which they were derived are delivered or rendered or at the time the relevant sale takes place, whichever occurs first, regardless of whether final payment (e.g., collection on a customer's personal check) actually has been received by you. Gross Sales consisting of property, products or services will be valued at the retail prices applicable and in effect at the time that they are received. Any amounts deposited in your Storefront's bank accounts are deemed Gross Sales unless proven otherwise.

Improvement(s): Defined in Section 9.18

Indemnified Parties: Defined in Section 14.1.

Initial Franchise Fee: Defined in Section 6.1.

Initial Training Program: Defined in Section 10.1.

Intellectual Property: Inventions, discoveries, know-how, show-how, processes, methods, unique materials, copyrightable works, original data and other creative or artistic works that have value. Intellectual Property includes that which is protectable by statute or legislation, such as proprietary products, methods, procedures, patents, copyrights, trademarks, service marks and trade secrets, as well as the physical embodiments of intellectual effort, for example, models, machines, devices, designs, apparatus, instrumentation, circuits, computer programs and visualizations, biological materials, chemicals, other compositions of matters, and records of research.

Legal Requirements: Any law, code, ordinance, order, rule or regulation (including Anti-Terrorism Laws), of any governmental entity, and any political or other subdivision of any governmental entity, and any agency, department, commission, board, bureau, court or instrumentality of any of them, which, at any time, has competent jurisdiction over you, us, any part of your Storefront, or in your Territory, including but not limited to Privacy Laws.

Liquidated Damages: Defined in Section 18.7.

Local Advertising Requirement: Defined in Section 8.1.

Marks: Certain trade names, service marks, trademarks, logos, emblems, Trade Dress and other indicia of origin, including but not limited to the mark "Cousins Maine Lobster®" and such other trade names, service marks, trademarks, copyrights, insignia, emblems, slogans, logos, commercial symbols, signs, trade dress (including designs and specifications and the motif, decor, and color combinations for a Storefront or Food Truck), and all other visual identification, as are now designated, and may hereafter be designated by us, for use in connection with the System.

Mediation Procedures: Defined in Section 19.2.

Non-Traditional Location: A Cousins Maine Lobster® Storefront or Food Truck that is located at or in a transportation facility (including airports, rail or bus terminals, toll road plazas and highway rest stops); port of call; arena or stadium; urban office building; convention center; social club; retirement and/or senior living facility or other special use facility; institutional feeding facility; government or military institution, base, or

facility; shopping mall; educational facility; casino; hotel; vacation club or timeshare; resort property; amusement park or amusement center.

Other Cousins Brands: Defined in Section 1.1.

Operations Manual: The primary source of information regarding the System and the construction and operation of Storefronts, which includes our operations and training manuals, and any other written directives related to the System, as they may be amended and revised by us from time to time, including all bulletins, updates and ancillary and additional manuals and written directives established by us and given to you in any format.

Owner: Any person who owns any stock, units, membership, partnership or other ownership interest in you, directly or indirectly.

POS System: Defined in Section 11.1.

Privacy Laws: All applicable federal, state, and local laws, regulations, and rules, as they currently exist or may be enacted or amended in the future, that govern the collection, use, storage, protection, disclosure, and management of personal information and data. This includes, but is not limited to, laws such as the California Consumer Privacy Act (CCPA), the General Data Protection Regulation (GDPR) to the extent applicable, and any other similar laws enacted by any state or federal authority in the United States.

Royalty Fee: Defined in Section 6.2.

Special Accounts: Customers whose offices, stores, plants, buildings, or other physical facilities are not confined to the territory of a single Cousins Maine Lobster® business.

Storefront: A fixed-location restaurant operating under the Marks using our System, Intellectual Property, and Confidential Information. A Storefront may be in a Non-Traditional Location.

Successor Agreement: Defined in Section 5.2.2.

System: A system for establishing and operating restaurants under the Marks, including standards, specifications, and procedures for operations along with related computer software programs; procedures for quality control; the Operations Manual; the Authorized Menu; Trade Dress; management programs, accounting methods, training and ongoing operational assistance; advertising and promotional techniques; personnel training; trade secrets; methods of marketing and selling of food and merchandise as well as related items, prepared, purchased, or displayed in accordance with our methods; all relating to the operation and promotion of Storefronts and Food Trucks, all of which we may change, improve, and further develop from time to time.

Technology Products: Defined in Section 11.1.

Territory: Defined in Section 2 and identified on Addendum 1.

Term: Defined in Section 5.1.

Trade Dress: The decorative, non-functional components of a Storefront or Food Truck that provide the establishment of a distinctive, memorable appearance.

Transfer: Defined in Section 15.2.

Unassigned Territory: Defined in Section 4.3.

Updates: Defined in Section 9.10.

We, us, or our: Defined in the opening paragraph to the Agreement.

You or your: Defined in the opening paragraph to the Agreement.

ADDENDUM 1

**INFORMATION CONCERNING FRANCHISEE
AND THE BUSINESS**

A. IDENTITY AND STRUCTURE OF FRANCHISEE

Franchisee's Name: _____

Entity type and jurisdiction of formation: _____

Date of entity formation: _____

Provide name and address of each Owner who owns a percentage of the legal entity, and show what percentage of stock, partnership interest, or membership interest is owned by each.

Address for Notices: _____

Attention: _____

Email Address: _____

Designated Manager's Name (Section 9.1): _____

B. GENERAL DESCRIPTION OF YOUR TERRITORY (Section 4.1) We and you agree that the general description of the location for your Storefront will be as listed below. Your exclusive rights will only attach once you and we have agreed on the Approved Location and entered it in Item C of this Addendum, which you and we will do only after you receive our approval of the Approved Location.

C. YOUR APPROVED LOCATION AND PROTECTED AREA (Sections 3.1 and 4.1) We and you have mutually agreed upon a Territory based on the site for your Storefront which is indicated below. You acknowledge that the Territory is in conformance with the territory guidelines stated in Item 12 of the Franchise Disclosure Document.

(1) Approved Location for your Storefront: The Approved Location for your Storefront, as provided in Sections 3.1 and 3.2 of the Agreement, is:

(2) Territory: The Territory, as provided in Section 4.1 of the Agreement, is:

CML STOREFRONT, LLC

FRANCHISEE

By: _____

By: _____

Print Name: _____

Print Name: _____

Its: _____

Its: _____

Date: _____

Date: _____

ADDENDUM 2

FRANCHISE OWNER AGREEMENT

This Franchise Owner Agreement (this “**Agreement**”) is entered into by: (i) each of the undersigned Owners of Franchisee (defined below); and (ii) the spouse of each such Owner, in favor of CML Storefront, LLC, and its successors and assigns (“us”), upon the terms and conditions set forth in this Agreement. Each signatory to this Agreement is referred to as “you.”

1. **Acknowledgments.**

a. **Franchise Agreement; Franchisee.** The term “**Franchisee**,” as used in this Agreement, is the party that entered, or is entering, into a Franchise Agreement with effective as of _____, (“**Franchise Agreement**”). Capitalized words not defined in this Agreement will have the same meanings given to them in the Franchise Agreement.

b. **Owners’ Role.** Owners are the beneficial Owners of all of the equity interest in Franchisee. Franchisee’s obligations under the Franchise Agreement, including the confidentiality and non-compete obligations, would be of little value to us if Franchisee’s Owners were not bound by the same requirements. Under the provisions of the Franchise Agreement, Owners are required to enter into this Owners Agreement as a condition to our entering into the Franchise Agreement with Franchisee. Owners will be jointly and severally liable for any breach of this Agreement.

c. **Your Access to Our Confidential Information.** In your capacity as an Owner of Storefront, or the spouse of an Owner of Storefront, you may gain knowledge of our System, Confidential Information, and Intellectual Property (collectively, the “**Know-how**”). You understand that protecting the Intellectual Property is vital to our success and that of our Storefronts and that you could seriously jeopardize our entire Storefront system if you were to unfairly compete with us. In addition, you understand that certain terms of the Franchise Agreement apply to “Owners” and not just Franchisee. You agree to comply with the terms of this Agreement in order to: (i) avoid damaging our System by engaging in unfair competition; and (ii) bind yourself to the terms of the Franchise Agreement applicable to Owners.

2. **System Protection Covenants.** In light of your above acknowledgements, you covenant and agree to the following:

a. **Intellectual Property.** You agree: (i) you will not use the Know-how in any business or capacity other than operating the Storefront; (ii) you will maintain the confidentiality of the Know-how at all times; (iii) you will not make unauthorized copies of documents containing any Know-how; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-how; and (v) you will stop using the Know-how immediately if you or your spouse are no longer an Owner of Franchisee, as applicable. You further agree that you will not use the Know-how for any purpose other than the development and operation of Franchisee’s Cousins Maine Lobster® Storefront under the terms of the Franchise Agreement and Operations Manual. You agree to assign to us or our designee, without charge, all rights to any Improvements developed by you, including the right to grant sublicenses. If any Legal Requirement precludes you from assigning ownership of any Improvement to us, then you covenant, promise and agree that you will perpetually license that Improvement to us free of charge, with full rights to use, commercialize, and sublicense the Improvement.

b. **Unfair Competition During Relationship.** You agree not to unfairly compete with us at any time while you are an Owner of the Storefront, or while your spouse is an Owner of the Storefront,

as applicable, by engaging in any of the following (collectively, the “**Prohibited Activities**”): (i) owning, operating or having any other interest (as an owner, partner, director, officer, employee, manager, consultant, shareholder, creditor, representative, agent or in any similar capacity) in a Competitive Business (other than owning an interest of five percent (5%) or less in a publicly traded company that is a Competitive Business); (ii) diverting or attempting to divert any business from us (or one of our Affiliates, Food Trucks, or Storefronts); and/or (iii) inducing (a) any of our employees or managers (or those of our Affiliates, Food Trucks, or Storefronts) to leave their position or (b) any customer of ours (or of one of our Affiliates, Food Trucks, or Storefronts) to transfer their business to you or to any other person that is not then a Franchisee of ours.

c. Unfair Competition After Relationship. You agree that, for a period of two (2) years after the termination of the Franchise Agreement or any successor to it (the “**Restricted Period**”) not to unfairly compete with us during the Restricted Period by engaging in any Prohibited Activities; provided, however, that the Prohibited Activity relating to having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within or provides competitive goods or services to customers who are located within: (a) fifteen (15) miles of the Territory or any Storefront then in existence or under construction; or (b) the territory of any Storefront that is then in operation (the “**Restricted Territory**”). If you engage in any Prohibited Activities during the Restricted Period, then you agree that your Restricted Period will be extended by the period of time during which you were engaging in the Prohibited Activity (any such extension of time will not be construed as a waiver of your breach or otherwise impair any of our rights or remedies relating to your breach).

d. Immediate Family Members. You acknowledge that your disclosing Know-how to an immediate family member (i.e., parent, sibling, child, or grandchild) could potentially circumvent the purpose of this Agreement. You also acknowledge that it would be difficult for us to prove whether you disclosed the Know-how to family members. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family: (i) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited Activities or (ii) uses or discloses the Know-how. However, you may rebut this presumption by furnishing evidence conclusively showing that you did not disclose the Know-how to the family member.

e. Covenants Reasonable. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE OR OTHERWISE UNENFORCEABLE. Although you and we both believe that the covenants in this Agreement are reasonable in terms of scope, duration and geographic are, we may at any time unilaterally modify the terms of the system protection covenants in Section 2 of this Agreement upon written notice to you, by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon you under Section 2 of this Agreement to ensure that the terms and covenants are enforceable under applicable law.

f. Breach. You agree that failure to comply with the covenants in this Section 2 will cause substantial and irreparable damage to us and/or other Storefronts for which there is no adequate remedy at law. Therefore, you agree that any violation of these covenants will entitle us to injunctive relief. None of the remedies available to us under this Section are exclusive of any other,

but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

3. Transfer Restrictions. If you are an Owner of Franchisee, you acknowledge that we must approve all persons who hold a direct or indirect Ownership interest in Franchisee. Accordingly, you agree that you will not, directly or indirectly or by operation of law, sell, assign, mortgage, pledge or in any manner transfer any direct or indirect Ownership interest in Franchisee except in accordance with the terms and conditions set forth in Article 15 of the Franchise Agreement. You acknowledge and agree that any attempted Transfer of an interest in Franchisee requiring our consent under the Franchise Agreement for which our express written consent is not first obtained will be a material breach of this Agreement and the Franchise Agreement.

4. Personal Guarantee. In order to secure Franchisee's financial obligations under the Franchise Agreement and all ancillary agreements executed by Franchisee in connection with the Franchise Agreement, including, but not limited to, any agreement for the purchase of goods or services from us or an Affiliate of ours and any promissory note related to payments owed to us (collectively, the "**Secured Agreements**"), you agree to personally guarantee all of Franchisee's financial obligations under the Secured Agreements.

a. Payment. Each of you, jointly and severally, personally and unconditionally: (a) guarantee to us and our successor and assigns, that Franchisee will punctually fulfill all of its payment and other financial obligations under the Secured Agreements; and (b) agree to be personally bound by, and personally liable for, each and every monetary provision in the Secured Agreements.

b. Waiver of Notice. You waive: (1) acceptance and notice of acceptance by us of the foregoing undertakings; (2) notice of demand for payment of any indebtedness guaranteed; (3) protest and notice of default to any party with respect to the indebtedness guaranteed; (4) any right you may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (5) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness hereby guaranteed.

c. Liability is Joint and Several. You agree that: (1) your direct and immediate liability under this guarantee will be joint and several with Franchisee and all other persons who sign this Agreement; (2) you will render any payment required under the Secured Agreements upon demand if Franchisee fails or refuses punctually to do so; (3) your liability will not be contingent or conditioned upon pursuit by us of any remedies against Franchisee or any other person; and (4) liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence that we may grant to Franchisee or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which will in any way modify or amend this guarantee, which will be continuing and irrevocable during the term of each of the Secured Agreements and following the termination, expiration or transfer of each of the Secured Agreements to the extent any financial obligations under any such Secured Agreements survive such termination, expiration or transfer.

d. Bankruptcy Filing. This guarantee will continue unchanged by the occurrence of any bankruptcy with respect to Franchisee or any assignee or successor of Franchisee or by any abandonment of one or more of the Secured Agreements by a trustee of Franchisee. Neither your obligation to make payment in accordance with the terms of this undertaking nor any remedy for enforcement will be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or

future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency.

e. Indemnification. You agree to indemnify, defend and hold harmless us, all of our Affiliates, and the respective shareholders, directors, partners, employees, and agents of such entities, against and from all losses, damages, costs, and expenses which we or they may sustain, incur, or become liable for by reason of: (a) Franchisee's failure to pay the monies payable (to us or any of our affiliates) pursuant to the Franchise Agreement, or to do and perform any other act, matter, or thing required by the Franchise Agreement; or (b) any action by us to obtain performance by Franchisee of any act, matter, or thing required by the Franchise Agreement.

f. No Exhaustion of Remedies. You acknowledge and agree that we will not be obligated to proceed against Franchisee or exhaust any security from Franchisee or pursue or exhaust any remedy, including any legal or equitable relief against Franchisee, before proceeding to enforce the obligations of the Owners as guarantors under this Agreement, and the enforcement of such obligations can take place before, after, or contemporaneously with, enforcement of any of Franchisee's debts or obligations under the Franchise Agreement.

g. Effect of Owner's Death. Upon the death of an Owner, the estate of such Owner will be bound by the obligations in this Section 4, but only for defaults and obligations that exist under this Agreement or the Franchise Agreement at the time of death; and the obligations of any other Owners will continue in full force and effect.

5. Dispute Resolution. Any dispute between the parties relating to this Agreement must be brought in accordance with the dispute resolution procedures stated in the Franchise Agreement. Notwithstanding the foregoing, if any of the dispute resolution procedures stated in the Franchise Agreement conflict with any of the terms of this Agreement, the terms of this Agreement will prevail. You acknowledge and agree that a breach of this Agreement by you will constitute a material event of default under the Franchise Agreement, permitting us to terminate the Franchise Agreement in accordance with its terms.

6. Provisional Remedies. We have the right to seek from an appropriate court any provisional remedies, including temporary restraining orders or preliminary injunctions to enforce your obligations under this Agreement. You acknowledge and agree that there is no adequate remedy at law for your failure to fully comply with the requirements of this Agreement. You further acknowledge and agree that, in the event of any noncompliance, we will be entitled to temporary, preliminary, and permanent injunctions and all other equitable relief that any court with jurisdiction may deem just and proper.

7. Miscellaneous.

a. Attorney Fees. If either party hires an attorney or files suit against the other party in relating to an alleging a breach of this Agreement, the losing party agrees to pay the prevailing party's reasonable attorneys' fees and costs incurred in connection with such breach.

b. Defenses. Any claim, defense or cause of action that you may have against us, our Affiliates, or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

c. Severability. Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection or portion of this Agreement is unenforceable, it will not affect the enforceability of any other section, subsection or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this

Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration and geographic area.

d. Notice. You agree that we may deliver to you any notice or other communication contemplated by this Agreement in the same manner and to the same address listed in the notice provisions of the Franchise Agreement and any such delivery will be deemed effective for purposes of this Agreement. You may change the address to which notices must be sent by sending us a written notice requesting such change, which notice must be delivered in the manner and to the address listed in the Franchise Agreement.

e. No Third-Party Beneficiaries. Nothing in this Agreement is intended to confer upon any person or entity (other than the parties and their heirs, successors and assigns and our Affiliates) any rights or remedies under or by reason of this Agreement.

f. Construction. No provision of this Agreement will be interpreted in favor of or against either party merely because of that party's role in the preparation of this Agreement, or because of the nature or type of this Agreement. All references to gender and number will be construed to include such other gender and number as the context may require. All captions in this Agreement are intended solely for the convenience of the parties and none will be deemed to affect the meaning or construction of any provision of this Agreement.

g. Binding Effect. This Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Agreement is binding on the parties and their respective heirs, executors, administrators, personal representatives, successors and (permitted) assigns.

IN WITNESS WHEREOF, each of **Owner** or **spouse of an Owner** has executed this Agreement as of the date or dates set forth below.

(Add additional pages and signature lines, if necessary for each Owner or spouse of an Owner)

By: _____

Address: _____

Name: _____

Telephone: _____

By: _____

Address: _____

Name: _____

Telephone: _____

By: _____

Address: _____

Name: _____

Telephone: _____

ADDENDUM 3
CONDITIONAL ASSIGNMENT

_____ ("you") operate your Storefront within the Territory listed in Addendum 1 to the Franchise Agreement between you and CML Storefront, LLC ("us"). In consideration of the promises, undertakings, covenants and agreements in the Franchise Agreement, you assign to us all telephone numbers, telephone and internet listings, website addresses, domain names, and social media identities you use in the operation of the franchise. We assume the performance of all of the terms, covenants and conditions of your agreement with the telephone company, domain name registrar, internet service provider, or social media company (the "**Company**") concerning the telephone numbers, telephone listings, website addresses, domain names, or social media identities with the full force and effect as if they had originally been issued to us. We will hold this assignment, and will deliver it to the Company or other interested third parties only upon termination of the Franchise Agreement between us.

CML STOREFRONT, LLC

FRANCHISEE

By: _____

By: _____

Print Name: _____

Print Name: _____

Its: _____

Its: _____

Date: _____

Date: _____

CML Storefront, LLC

EXHIBIT C

Financial Statements and Guarantees of Performance

CML Storefront, LLC

EXHIBIT C-1

Financial Statements of Franchisor

We have included audited financial statements for our fiscal years 2023, 2024, and 2025.

CML STOREFRONT, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

CML STOREFRONT, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

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Independent Auditor's Report

To the Members
CML Storefront, LLC

Opinion

We have audited the accompanying financial statements of CML Storefront, LLC, which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of income and members' deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CML Storefront, LLC as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free 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 statements.

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 statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CML Storefront, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CML Storefront, 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.

Velez & Hardy

April 17, 2026
Las Vegas, NV

CML STOREFRONT, LLC
BALANCE SHEETS
DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current Assets:		
Cash	\$ 97,558	\$ 174,811
Accounts receivable, net	5,647	24,337
Prepaid expenses	-	1,574
Total current assets	<u>103,205</u>	<u>200,722</u>
Restricted Cash	<u>13,273</u>	<u>65,117</u>
Total Assets	<u><u>\$ 116,478</u></u>	<u><u>\$ 265,839</u></u>
 LIABILITIES AND MEMBERS' DEFICIT		
Current Liabilities:		
Accounts payable	\$ 5,131	\$ 2,420
Accrued expenses	5,337	7,490
Due to related parties, net	142,135	155,343
Current maturities of deferred franchise fees	<u>11,390</u>	<u>11,390</u>
Total current liabilities	<u>163,993</u>	<u>176,643</u>
Long-Term Liabilities:		
Deferred franchise fees, net of current	35,349	43,406
Long-term debt, net of current	<u>95,665</u>	<u>95,665</u>
Total long-term liabilities	<u>131,014</u>	<u>139,071</u>
Total Liabilities	295,007	315,714
Members' Deficit	<u>(178,529)</u>	<u>(49,875)</u>
Total Liabilities and Members' Deficit	<u><u>\$ 116,478</u></u>	<u><u>\$ 265,839</u></u>

See accompanying notes to the financial statements.

CML STOREFRONT, LLC
STATEMENTS OF INCOME AND MEMBERS' DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
Revenue	\$ 220,611	\$ 396,227
Operating Expenses:		
Bad debt expense	10,552	-
Brand advertising	60,643	99,423
Insurance	1,387	1,743
Legal and professional fees	42,225	30,564
Office expenses and other	4,045	10,837
Outside services	-	31,084
Salaries, wages and related	89,942	137,216
Taxes and licenses	85	289
Technology	2,639	-
Training	3,057	20,337
Travel and meals	50	212
Total operating expenses	214,625	331,705
Income from Operations	5,986	64,522
Other Income (Expense):		
Other income	853	-
Interest expense	(3,587)	(4,002)
Total other income (expense)	(2,734)	(4,002)
Net Income	3,252	60,520
Members' Deficit, Beginning of Year	(49,875)	(110,292)
Member distributions	(131,906)	(103)
Members' Deficit, End of Year	\$ (178,529)	\$ (49,875)

See accompanying notes to the financial statements.

CML STOREFRONT, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
Cash Flows From Operating Activities:		
Net income	\$ 3,252	\$ 60,520
Adjustments to reconcile net income to net cash provided by operating activities:		
Accrued interest	2,016	2,495
Bad debt expense	10,552	-
Changes in:		
(Increase) decrease in accounts receivable, net	8,138	(4,088)
(Increase) decrease in prepaid expenses	1,574	337
Increase (decrease) in accounts payable	2,711	(5,667)
Increase (decrease) in accrued expenses	(4,169)	(18,325)
Increase (decrease) in due to related parties, net	(13,208)	62,023
Increase (decrease) in deferred franchise fees	(8,057)	7,375
Net cash provided by operating activities	2,809	104,670
Cash Used In Financing Activities:		
Member distributions	(131,906)	(103)
Net Change in Cash	(129,097)	104,567
Cash, Beginning of Year	239,928	135,361
Cash, End of Year	<u>\$ 110,831</u>	<u>\$ 239,928</u>
<u>Supplemental disclosure of cash flow information:</u>		
Cash paid for interest	<u>\$ 1,571</u>	<u>\$ 1,507</u>

See accompanying notes to the financial statements.

CML STOREFRONT, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 1 – NATURE OF THE BUSINESS

The Company was organized in February 2017 as a limited liability company under the laws of the state of Maine. The principal activity of the Company is the sale of franchises that operate a restaurant serving lobster, seafood, and other items under the name “Cousins Maine Lobster” from a storefront location.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of CML Storefront, LLC (the “Company”) is presented to assist in understanding the Company’s financial statements. The financial statements and notes are representations of the Company’s management, which is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Presentation

The financial statements are prepared on the accrual basis of accounting, which recognizes income when earned and expenses when incurred.

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments available for current use with original maturity of three months or less to be cash equivalents. The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. Management believes the Company is not exposed to any significant credit risk on cash and cash equivalents.

Accounts Receivable

The Company’s receivables are primarily generated from ongoing business relationships with franchisees as a result of franchise agreements. Accounts receivable is stated at the amount the Company expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance for credit losses based on its assessment of the current status of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of December 31, 2025 and 2024, the Company did not have any allowance for credit losses reported.

CML STOREFRONT, LLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2025 AND 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable (Continued)

The contract related receivables were as follows for the years ended December 31:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Accounts receivable	\$ 5,647	\$ 24,337	\$ 20,249

Revenue Recognition

The Company executes franchise agreements for each franchise which set out the terms of the agreement with the franchisee. Franchise agreements typically require the franchisee to pay an initial, non-refundable fee and continuing fees based upon a percentage of sales or a percentage fee for each franchise awarded. Subject to the Company's approval and payment of a renewal fee, a franchisee may generally renew the franchise agreement upon its expiration.

The Company has determined that the services provided in exchange for these initial franchise fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services the Company provides to its franchisees. As a result, initial franchise fees are recognized as revenue over the term of each respective franchise agreement. Revenues for these initial franchise fees are recognized on the straight-line basis, which is consistent with the franchisee's right to use and benefit from intellectual property.

The Company's contract liabilities are comprised of unamortized initial franchise fees. As of December 31, deferred franchise fees consisted of the following:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Deferred franchise fees	\$ 46,739	\$ 54,796	\$ 47,421
Less: current maturities	<u>(11,390)</u>	<u>(11,390)</u>	<u>(28,788)</u>
	<u>\$ 35,349</u>	<u>\$ 43,406</u>	<u>\$ 18,633</u>

As of December 31, the Company expects to recognize contract liabilities as revenue over the remaining term of the associated franchise agreements as follows:

2026	\$ 11,390
2027	7,349
2028	6,000
2029	6,000
2030	4,000
Thereafter	<u>12,000</u>
	<u>\$ 46,739</u>

The Company has determined that services provided in connection with royalties collected and brand building activities provided to the franchisees are distinct. As a result, they are recognized at a point in time and are recognized monthly based as a percentage of revenues earned by the franchisees.

CML STOREFRONT, LLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2025 AND 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Expenses incurred to provide brand building services are presented on the statement of income and members' deficit under the caption "brand advertising". Brand advertising funds received but not yet spent are accrued until such time as funds are expended.

As of December 31, the timing and recognition of revenue was as follows:

	<u>2025</u>	<u>2024</u>
Services transferred at a point in time	\$ 202,554	\$ 363,602
Services transferred over time	<u>18,057</u>	<u>32,625</u>
	<u>\$ 220,611</u>	<u>\$ 396,227</u>

Various economic factors such as supply and demand, laws and policies and labor affect revenues and cash flows. The Company's revenue is derived from sources within the United States.

Restricted Cash

For purposes of the balance sheets and the statements of cash flows, restricted cash consists of amounts contributed by franchisees which have been restricted for the marketing and advertising of the Company and its franchisees. The following table provides a reconciliation of cash and restricted cash within the balance sheets that aggregate to the same amounts presented in the statements of cash flows.

	<u>2025</u>	<u>2024</u>
Cash	\$ 97,558	\$ 174,811
Restricted cash	<u>13,273</u>	<u>65,117</u>
Total cash and restricted cash presented in the statements of cash flows	<u>\$ 110,831</u>	<u>\$ 239,928</u>

Income Taxes

As a limited liability company, the Company's taxable income or loss is allocated to the members. Therefore, no provision or liability for federal or state income taxes has been included in the accompanying financial statements.

As defined by Financial Accounting Standards Board Accounting Standards Codification (ASC) Topic 740, Income Taxes, no provision or liability for materially uncertain tax positions was deemed necessary by management. Therefore, no provision or liability for uncertain tax positions has been included in these financial statements.

As of December 31, 2025, the tax years that remain subject to potential examination by taxing authorities begin with the year ended December 31, 2022.

CML STOREFRONT, LLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2025 AND 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising

Advertising costs are expensed as incurred.

Reclassifications

Certain reclassifications have been made to the prior year financial statement presentation to correspond to the current year's format. Members' deficit was unchanged due to these reclassifications.

NOTE 3 – RELATED PARTY TRANSACTIONS

As of December 31, the Company had the following balances due to (from) various entities related through common ownership for transactions such as loans and cost sharing of insurance and worker's compensation insurance:

	<u>2025</u>	<u>2024</u>
Due to CML Franchise LLC	\$ 142,105	\$ 160,762
Due to (from) Cousin Maine Lobster, LLC, net	30	(2,884)
Due to (from) Cousins Seafood Distribution, LLC	-	(2,535)
	<u>\$ 142,135</u>	<u>\$ 155,343</u>

NOTE 4 – LONG-TERM DEBT

As of December 31, long-term debt consisted of the following:

	<u>2025</u>	<u>2024</u>
On June 11, 2020, the Company was granted an Economic Injury Disaster Loan (EIDL) from a financial institution in the aggregate amount of \$100,700, (EIDL) pursuant to Section 7(b) of the Small Business Act, as amended. The loan matures in June 2050 and bears interest at a fixed rate of 3.75% per annum, payable monthly commencing in July 2022. The Note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used as working capital to alleviate economic injury caused by the disaster occurring in the month of January 2020. The loan is collateralized by assets of the Company.	<u>\$ 95,665</u>	<u>\$ 95,665</u>

CML STOREFRONT, LLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2025 AND 2024

NOTE 4 – LONG-TERM DEBT (Continued)

As of December 31, long-term debt matures as follows:

2026	\$	-
2027		2,359
2028		2,434
2029		2,527
2030		2,624
Thereafter		85,721
		<u>85,721</u>
	\$	<u>95,665</u>

NOTE 5 – MANAGEMENT’S REVIEW OF SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 17, 2026, the date on which the financial statements were available to be issued. No other events were identified that required adjustment or disclosure in the financial statements.

CML STOREFRONT, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

CML STOREFRONT, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

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Independent Auditor's Report

To the Members
CML Storefront, LLC

Opinion

We have audited the accompanying financial statements of CML Storefront, LLC, which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of income and members' deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CML Storefront, LLC as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free 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 statements.

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 statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CML Storefront, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CML Storefront, 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.

Velez & Hardy

April 14, 2025
Las Vegas, NV

CML STOREFRONT, LLC
BALANCE SHEETS
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
Current Assets:		
Cash	\$ 174,811	\$ 66,195
Accounts receivable, net	24,337	20,249
Prepaid expenses	1,574	1,911
Total current assets	200,722	88,355
Restricted Cash	65,117	69,166
Total Assets	<u>\$ 265,839</u>	<u>\$ 157,521</u>
LIABILITIES AND MEMBERS' DEFICIT		
Current Liabilities:		
Accounts payable	\$ 2,420	\$ 8,087
Accrued expenses	7,490	23,320
Due to related parties, net	155,343	93,320
Current maturities of deferred franchise fees	11,390	28,788
Total current liabilities	176,643	153,515
Long-Term Liabilities:		
Deferred franchise fees, net of current	43,406	18,633
Long-term debt, net of current	95,665	95,665
Total long-term liabilities	139,071	114,298
Total Liabilities	315,714	267,813
Members' Deficit	(49,875)	(110,292)
Total Liabilities and Members' Deficit	<u>\$ 265,839</u>	<u>\$ 157,521</u>

See accompanying notes to the financial statements.

CML STOREFRONT, LLC
STATEMENTS OF INCOME AND MEMBERS' DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Revenue	<u>\$ 396,227</u>	<u>\$ 490,076</u>
Operating Expenses:		
Brand advertising	99,423	89,232
Insurance	1,743	1,593
Legal and professional fees	30,564	21,905
Office expenses and other	10,837	1,187
Outside services	31,084	60,373
Rent	-	4,768
Salaries, wages and related	137,216	192,894
Taxes and licenses	289	235
Training	20,337	13,462
Travel and meals	212	-
Total operating expenses	<u>331,705</u>	<u>385,649</u>
Income from Operations	<u>64,522</u>	<u>104,427</u>
Other Income (Expense):		
Interest expense	<u>(4,002)</u>	<u>(3,548)</u>
Net Income	60,520	100,879
Members' Deficit, Beginning of Year	(110,292)	(188,698)
Member distributions	<u>(103)</u>	<u>(22,473)</u>
Members' Deficit, End of Year	<u><u>\$ (49,875)</u></u>	<u><u>\$ (110,292)</u></u>

See accompanying notes to the financial statements.

CML STOREFRONT, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Cash Flows From Operating Activities:		
Net income	\$ 60,520	\$ 100,879
Adjustments to reconcile net income to net cash provided by operating activities:		
Accrued interest	2,495	3,548
Changes in:		
(Increase) decrease in accounts receivable	(4,088)	3,280
(Increase) decrease in prepaid expenses	337	(1,017)
Increase (decrease) in accounts payable	(5,667)	8,087
Increase (decrease) in accrued expenses	(18,325)	(9,588)
Increase (decrease) in due to related parties	62,023	40,872
Increase (decrease) in deferred franchise fees	7,375	(76,813)
Net cash provided by operating activities	104,670	69,248
Cash Used In Financing Activities:		
Member distributions	(103)	(22,473)
Net Change in Cash	104,567	46,775
Cash, Beginning of Year	135,361	88,586
Cash, End of Year	\$ 239,928	\$ 135,361
<u>Supplemental disclosure of cash flow information:</u>		
Cash paid for interest	\$ 1,507	\$ -

See accompanying notes to the financial statements.

CML STOREFRONT, LLC
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 – NATURE OF THE BUSINESS

The Company was organized in February 2017 as a limited liability company under the laws of the state of Maine. The principal activity of the Company is the sale of franchises that operate a restaurant serving lobster, seafood, and other items under the name “Cousins Maine Lobster” from a storefront location.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of CML Storefront, LLC (the “Company”) is presented to assist in understanding the Company’s financial statements. The financial statements and notes are representations of the Company’s management, which is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Presentation

The financial statements are prepared on the accrual basis of accounting, which recognizes income when earned and expenses when incurred.

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments available for current use with original maturity of three months or less to be cash equivalents. The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. Management believes the Company is not exposed to any significant credit risk on cash and cash equivalents.

Accounts Receivable

The Company’s receivables are primarily generated from ongoing business relationships with franchisees as a result of franchise agreements. Accounts receivable is stated at the amount the Company expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of December 31, 2024 and 2023, the Company did not have any allowance for credit losses reported.

CML STOREFRONT, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable (Continued)

The contract related receivables were as follows for the years ended December 31:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Accounts receivable	\$ 24,337	\$ 20,249	\$ 23,529

Revenue Recognition

The Company executes franchise agreements for each franchise which set out the terms of the agreement with the franchisee. Franchise agreements typically require the franchisee to pay an initial, non-refundable fee and continuing fees based upon a percentage of sales or a percentage fee for each franchise awarded. Subject to the Company's approval and payment of a renewal fee, a franchisee may generally renew the franchise agreement upon its expiration.

The Company has determined that the services provided in exchange for these initial franchise fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services the Company provides to its franchisees. As a result, initial franchise fees are recognized as revenue over the term of each respective franchise agreement. Revenues for these initial franchise fees are recognized on the straight-line basis, which is consistent with the franchisee's right to use and benefit from intellectual property.

The Company's contract liabilities are comprised of unamortized initial franchise fees. As of December 31, deferred franchise fees consisted of the following:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Deferred franchise fees	\$ 54,796	\$ 47,421	\$ 124,234
Less: current maturities	(11,390)	(28,788)	(51,188)
	<u>\$ 43,406</u>	<u>\$ 18,633</u>	<u>\$ 73,046</u>

As of December 31, the Company expects to recognize contract liabilities as revenue over the remaining term of the associated franchise agreements as follows:

2025	\$ 11,390
2026	11,390
2027	7,349
2028	4,667
2029	4,000
Thereafter	<u>16,000</u>
	<u>\$ 54,796</u>

The Company has determined that services provided in connection with royalties collected and brand building activities provided to the franchisees are distinct. As a result, they are recognized at a point in time and are recognized monthly based as a percentage of revenues earned by the franchisees.

CML STOREFRONT, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Expenses incurred to provide brand building services are presented on the statement of income and members' deficit under the caption "brand advertising". Brand advertising funds received but not yet spent are accrued until such time as funds are expended.

As of December 31, the timing and recognition of revenue was as follows:

	<u>2024</u>	<u>2023</u>
Services transferred at a point in time	\$ 363,602	\$ 403,265
Services transferred over time	<u>32,625</u>	<u>86,811</u>
	<u>\$ 396,227</u>	<u>\$ 490,076</u>

Various economic factors such as supply and demand, laws and policies and labor affect revenues and cash flows. The Company's revenue is derived from sources within the United States.

Restricted Cash

For purposes of the balance sheets and the statements of cash flows, restricted cash consists of amounts contributed by franchisees which have been restricted for the marketing and advertising of the Company and its franchisees. The following table provides a reconciliation of cash and restricted cash within the balance sheets that aggregate to the same amounts presented in the statements of cash flows.

	<u>2024</u>	<u>2023</u>
Cash	\$ 174,811	\$ 66,195
Restricted cash	<u>65,117</u>	<u>69,166</u>
Total cash and restricted cash presented in the statements of cash flows	<u>\$ 239,928</u>	<u>\$ 135,361</u>

Income Taxes

As a limited liability company, the Company's taxable income or loss is allocated to the members. Therefore, no provision or liability for federal or state income taxes has been included in the accompanying financial statements.

As defined by Financial Accounting Standards Board Accounting Standards Codification (ASC) Topic 740, Income Taxes, no provision or liability for materially uncertain tax positions was deemed necessary by management. Therefore, no provision or liability for uncertain tax positions has been included in these financial statements.

As of December 31, 2024, the tax years that remain subject to potential examination by taxing authorities begin with the year ended December 31, 2021.

CML STOREFRONT, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent Accounting Pronouncements

In March 2022, the FASB issued ASU 2022-02, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which creates a new credit impairment standard for financial instruments. Under the new standard, the existing incurred loss model was replaced with a current expected credit loss (CECL) model for most receivables and various other financial instruments. Receivable assets under the standard are presented at the net amount expected to be collected through an allowance for credit losses. Expanded disclosures are also required. This ASU is effective for the Company for the year ended December 31, 2024. The adoption of this guidance did not have a material impact on the Company's financial statements.

Reclassifications

Certain reclassifications have been made to the prior year financial statement presentation to correspond to the current year's format. Members' deficit was unchanged due to these reclassifications.

Advertising

Advertising costs are expensed as incurred.

NOTE 3 – RELATED PARTY TRANSACTIONS

As of December 31, the Company had the following balances due to (from) various entities related through common ownership for transactions such as loans and cost sharing of insurance and worker's compensation insurance:

	<u>2024</u>	<u>2023</u>
Due to CML Franchise LLC	\$ 160,762	\$ 87,406
Due to (from) Cousin Maine Lobster, LLC, net	(2,884)	1,869
Due to (from) Cousins Seafood Distribution, LLC	(2,535)	4,045
	<u>\$ 155,343</u>	<u>\$ 93,320</u>

CML STOREFRONT, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2024 AND 2023

NOTE 4 – LONG-TERM DEBT

As of December 31, long-term debt consisted of the following:

	<u>2024</u>	<u>2023</u>
On June 11, 2020, the Company was granted an Economic Injury Disaster Loan (EIDL) from a financial institution in the aggregate amount of \$100,700, (EIDL) pursuant to Section 7(b) of the Small Business Act, as amended. The loan matures in June 2050 and bears interest at a fixed rate of 3.75% per annum, payable monthly commencing in July 2022. The Note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used as working capital to alleviate economic injury caused by the disaster occurring in the month of January 2020. The loan is collateralized by assets of the Company.	<u>\$ 95,665</u>	<u>\$ 95,665</u>

As of December 31, long-term debt matures as follows:

2025	\$ -
2026	14
2027	2,345
2028	2,435
2029	2,527
Thereafter	<u>88,344</u>
	<u>\$ 95,665</u>

NOTE 5 – MANAGEMENT’S REVIEW OF SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 14, 2025, the date on which the financial statements were available to be issued. No other events were identified that required adjustment or disclosure in the financial statements.

CML Storefront, LLC

EXHIBIT C-3

Financial Statements of CMLF

We have included audited financial statements for fiscal years 2023, 2024, and 2025.



CML Franchise LLC

EXHIBIT C

Financial Statements

CML FRANCHISE, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

CML FRANCHISE, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

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Independent Auditor's Report

To the Members
CML Franchise, LLC

Opinion

We have audited the accompanying financial statements of CML Franchise, LLC, which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of income and members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CML Franchise, LLC as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free 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 statements.

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 statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CML Franchise, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CML Franchise, 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.

Velez & Hardy

April 17, 2026
Las Vegas, NV

CML FRANCHISE, LLC
BALANCE SHEETS
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
Current Assets:		
Cash	\$ 454,171	\$ 796,598
Accounts receivable, net	453,837	514,496
Prepaid expenses	-	46,804
Due from related parties, net	1,039,416	1,139,816
Total current assets	<u>1,947,424</u>	<u>2,497,714</u>
Non-Current Assets		
Restricted cash	86,432	1,082,970
Deposits	12,249	8,000
Capital assets, net	33,600	32,967
Intangible lease assets, net	304,321	174,509
Total non-current assets	<u>436,602</u>	<u>1,298,446</u>
Total Assets	<u><u>\$ 2,384,026</u></u>	<u><u>\$ 3,796,160</u></u>
 LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 16,240	\$ 109,195
Accrued expenses	216,444	1,212,789
Initial franchise incentive liability	53,000	130,000
Current maturities of deferred franchise fees	210,327	169,310
Intangible lease liability, current	142,670	142,374
Total current liabilities	<u>638,681</u>	<u>1,763,668</u>
Long-Term Liabilities:		
Franchise deposits	148,000	80,000
Deferred franchise fees, net of current	1,120,535	760,156
Intangible lease liability, net of current	172,473	45,784
Long-term debt, net of current	142,500	142,500
Total long-term liabilities	<u>1,583,508</u>	<u>1,028,440</u>
Total Liabilities	<u>2,222,189</u>	<u>2,792,108</u>
Members' Equity	<u>161,837</u>	<u>1,004,052</u>
Total Liabilities and Members' Equity	<u><u>\$ 2,384,026</u></u>	<u><u>\$ 3,796,160</u></u>

See accompanying notes to the financial statements.

CML FRANCHISE, LLC
STATEMENTS OF INCOME AND MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
Revenue	<u>\$ 8,820,326</u>	<u>\$ 7,246,168</u>
Operating Expenses:		
Advertising	39,561	-
Brand advertising	1,553,178	1,142,831
Depreciation expense	9,367	9,200
Insurance	69,689	63,485
Legal and professional fees	473,569	432,174
Office expenses and other	586,950	503,085
Outside services	122,115	59,186
Rent	169,629	127,630
Salaries, wages and related	2,569,190	2,207,482
Taxes and licenses	24,082	9,202
Technology	52,673	29,215
Training	308,476	215,777
Travel and meals	189,337	182,608
Total operating expenses	<u>6,167,816</u>	<u>4,981,875</u>
Income from Operations	<u>2,652,510</u>	<u>2,264,293</u>
Other Income (Expense):		
Other income	(2,411)	192
Interest expense	(5,095)	(6,026)
Total other income (expense)	<u>(7,506)</u>	<u>(5,834)</u>
Net Income	2,645,004	2,258,459
Members' Equity, Beginning of Year	1,004,052	1,635,084
Member distributions	<u>(3,487,219)</u>	<u>(2,889,491)</u>
Members' Equity, End of Year	<u><u>\$ 161,837</u></u>	<u><u>\$ 1,004,052</u></u>

See accompanying notes to the financial statements.

CML FRANCHISE, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
Cash Flows From Operating Activities:		
Net income	\$ 2,645,004	\$ 2,258,459
Adjustments to reconcile net income to net cash provided by operating activities:		
Accrued interest	3,024	3,399
Depreciation expense	9,367	9,200
Amortization of intangible lease assets	108,933	71,530
Changes in:		
(Increase) decrease in accounts receivable, net	60,659	(102,559)
(Increase) decrease in prepaid expenses	46,804	(15,552)
(Increase) decrease in due from related parties, net	100,400	214,721
(Increase) decrease in deposits	(4,249)	(2,950)
Increase (decrease) in accounts payable	(92,955)	81,261
Increase (decrease) in accrued expenses	(999,369)	461,698
Increase (decrease) in initial franchise incentive liability	(77,000)	66,000
Increase (decrease) in deferred franchise fees	401,396	313,923
Increase (decrease) in franchise deposits	68,000	40,000
Increase (decrease) in intangible lease liability	(111,760)	(59,884)
Net cash provided by operating activities	<u>2,158,254</u>	<u>3,339,246</u>
Cash Flows From Investing Activities:		
Purchase of capital assets	<u>(10,000)</u>	<u>-</u>
Cash Flows From Financing Activities:		
Member distributions	<u>(3,487,219)</u>	<u>(2,889,491)</u>
Net Change in Cash	<u>(1,338,965)</u>	<u>449,755</u>
Cash, Beginning of Year	<u>1,879,568</u>	<u>1,429,813</u>
Cash, End of Year	<u><u>\$ 540,603</u></u>	<u><u>\$ 1,879,568</u></u>
<u>Supplemental disclosure of cash flow information:</u>		
Cash paid for interest	<u><u>\$ 2,071</u></u>	<u><u>\$ 2,627</u></u>

See accompanying notes to the financial statements.

CML FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2025 AND 2024

NOTE 1 – NATURE OF THE BUSINESS

The Company was organized in January 2014 as a limited liability company under the laws of the state of California. The principal activity of the Company is the sale of franchises that operate a mobile food truck serving lobster and other seafood items under the name “Cousins Maine Lobster”.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of CML Franchise, LLC (the “Company”) is presented to assist in understanding the Company’s financial statements. The financial statements and notes are representations of the Company’s management, which is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Presentation

The financial statements are prepared on the accrual basis of accounting, which recognizes income when earned and expenses when incurred.

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments available for current use with original maturity of three months or less to be cash equivalents. The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. Management believes the Company is not exposed to any significant credit risk on cash and cash equivalents.

Restricted Cash

For purposes of the balance sheet and the statements of cash flows, restricted cash consists of amounts contributed by franchisees which have been restricted for the marketing and advertising of the Company and its franchisees. The following table provides a reconciliation of cash and restricted cash within the balance sheets that aggregate to the same amounts presented in the statements of cash flows.

	<u>2025</u>	<u>2024</u>
Cash	\$ 454,171	\$ 796,598
Restricted cash	<u>86,432</u>	<u>1,082,970</u>
Total cash and restricted cash presented in the statements of cash flows	<u>\$ 540,603</u>	<u>\$ 1,879,568</u>

CML FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2025 AND 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

The Company's receivables are primarily generated from ongoing business relationships with franchisees as a result of franchise agreements. Accounts receivable is stated at the amount the Company expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. December 31, 2025 and 2024, the Company did not have any allowance for credit losses reported.

The contract related receivables were as follows for the year ended December 31:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Accounts receivable	\$ 453,837	\$ 514,496	\$ 411,937

Intangible Assets

Intangible assets are stated at cost, net of accumulated amortization, and consist primarily of software. For intangible assets with definite useful lives, these costs are amortized on a straight-line bases over the assets' estimated useful lives, which are five years.

Revenue Recognition

The Company executes franchise agreements for each franchise which set out the terms of the agreement with the franchisee. Franchise agreements typically require the franchisee to pay an initial, non-refundable fee and continuing fees based upon a percentage of sales or a percentage fee for each franchise awarded. Subject to the Company's approval and payment of a renewal fee, a franchisee may generally renew the franchise agreement upon its expiration.

The Company has determined that the services provided in exchange for initial franchise fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services the Company provides to its franchisees. As a result, initial franchise fees are recognized as revenue over the term of each respective franchise agreement. Revenues for these initial franchise fees are recognized on the straight-line basis, which is consistent with the franchisee's right to use and benefit from intellectual property.

The Company's contract liabilities are comprised of unamortized initial franchise fees. As of December 31, deferred franchise fees consisted of the following:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Deferred franchise fees	\$ 1,330,862	\$ 929,466	\$ 615,543
Less: current maturities	<u>(210,327)</u>	<u>(169,310)</u>	<u>(150,510)</u>
	<u>\$ 1,120,535</u>	<u>\$ 760,156</u>	<u>\$ 465,033</u>

CML FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2025 AND 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

As of December 31, the Company expects to recognize contract liabilities as revenue over the remaining term of the associated franchise agreements as follows:

2026	\$	210,327
2027		173,832
2028		143,748
2029		139,600
2030		139,600
Thereafter		523,755
	\$	<u>1,330,862</u>

The Company has determined that services provided in connection with royalties collected and brand building activities provided to the franchisees are distinct. As a result, they are recognized at a point in time and are recognized monthly based as a percentage of revenues earned by the franchisees.

Expenses incurred to provide brand building services are presented on the statement of income and members' equity under the caption "brand advertising". Brand advertising funds received but not yet spent are accrued until such time as funds are expended.

As of December 31, the timing and recognition of revenue was as follows:

	<u>2025</u>	<u>2024</u>
Services transferred at a point in time	\$ 8,607,249	\$ 7,064,788
Services transferred over time	<u>213,077</u>	<u>181,380</u>
	<u>\$ 8,820,326</u>	<u>\$ 7,246,168</u>

Income Taxes

As a limited liability company, the Company's taxable income or loss is allocated to the members. Therefore, no provision or liability for federal or state income taxes has been included in the accompanying financial statements.

As defined by Financial Accounting Standards Board Accounting Standards Codification (ASC) Topic 740, Income Taxes, no provision or liability for materially uncertain tax positions was deemed necessary by management. Therefore, no provision or liability for uncertain tax positions has been included in these financial statements.

As of December 31, 2025, the tax years that remain subject to potential examination by taxing authorities begin with the year ended December 31, 2022.

CML FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2025 AND 2024

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising

Advertising costs are expensed when incurred or the first time such advertisement appears.

Reclassifications

Certain reclassifications have been made to the prior year financial statement presentation to correspond to the current year's format. Members' equity was unchanged due to these reclassifications.

NOTE 3 – CAPITAL ASSETS

Capital assets consisted of the following at December 31:

	<u>2025</u>	<u>2024</u>
Leasehold improvements	\$ 10,000	\$ -
Software	46,000	46,000
Less: accumulated depreciation	(22,400)	(13,033)
	<u>\$ 33,600</u>	<u>\$ 32,967</u>

Depreciation expense related to capital assets was approximately \$9,367 and \$9,200 for the years ended December 31, 2025 and 2024, respectively.

NOTE 4 – RELATED PARTY TRANSACTIONS

As of December 31, the Company had the following balances due from various entities related through common ownership for transactions such as loans and cost sharing of rent, insurance, and worker's compensation insurance:

	<u>2025</u>	<u>2024</u>
Due from CML Storefront, LLC	\$ 142,105	\$ 160,762
Due from CML Nashville, LLC	(7,866)	14,536
Due from (to) CML Online Shop, LLC	441	(18,263)
Due from (to) Cousins Fried Seafood, LLC	177,844	-
Due from Cousins Maine Lobster, LLC	298,942	80,006
Due from Cousins Seafood Distribution, LLC	427,950	902,775
	<u>\$ 1,039,416</u>	<u>\$ 1,139,816</u>

CML FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2025 AND 2024

NOTE 5 – LEASES

The Company has recognized an intangible right-of-use lease asset and associated lease obligation in the accompanying financial statements for its material long-term lease arrangements. The Organization has implemented the risk-free rate practical expedient in determining the discount rate applied to calculate the lease asset and associated obligation. The risk-free rates used ranged from 3.75% to 4.56%. The Organization has also elected to exclude short-term leases with terms less than twelve months or those with low asset values as a practical expedient.

The Company has entered into non-cancellable operating lease agreements for office space. These operating leases include escalating monthly payments ranging from \$4,000 to \$8,250, terms of 3 years, and maturity dates ranging from May 2027 through June 2028. Total rent expense under these lease agreements was \$123,178 and \$79,295 for the years ended December 31, 2025 and 2024, respectively.

Future minimum lease payments under the lease agreements are due as follows as of December 31, 2025:

2026	\$ 152,377
2027	124,750
2028	<u>52,515</u>
Total lease payments	329,642
Less: interest	<u>(14,499)</u>
Present value of lease obligations	<u><u>\$ 315,143</u></u>

NOTE 6 – LONG-TERM DEBT

As of December 31, long-term debt consisted of the following:

	<u>2025</u>	<u>2024</u>
On June 11, 2020, the Company was granted an Economic Injury Disaster Loan (EIDL) from a financial institution in the aggregate amount of \$100,700, (EIDL) pursuant to Section 7(b) of the Small Business Act, as amended. The loan matures in June 2050 and bears interest at a fixed rate of 3.75% per annum, payable monthly commencing in July 2022. The Note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used as working capital to alleviate economic injury caused by the disaster occurring in the month of January 2020. The loan is collateralized by assets of the Company.	<u>\$ 142,500</u>	<u>\$ 142,500</u>

CML FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2025 AND 2024

NOTE 6 – LONG-TERM DEBT

As of December 31, long-term debt matures as follows:

2026	\$	-
2027		1,687
2028		3,266
2029		3,391
2030		3,520
Thereafter		<u>130,636</u>
	\$	<u><u>142,500</u></u>

NOTE 7 – MANAGEMENT’S REVIEW OF SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 17, 2026, the date on which the financial statements were available to be issued. No other events were identified that required adjustment or disclosure in the financial statements.

CML FRANCHISE, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

CML FRANCHISE, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

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Independent Auditor's Report

To the Members
CML Franchise, LLC

Opinion

We have audited the accompanying financial statements of CML Franchise, LLC, which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of income and members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CML Franchise, LLC as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free 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 statements.

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 statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CML Franchise, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CML Franchise, 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.

Velez & Hardy

April 14, 2025
Las Vegas, NV

CML FRANCHISE, LLC
BALANCE SHEETS
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
Current Assets:		
Cash	\$ 796,598	\$ 983,241
Accounts receivable, net	514,496	411,937
Prepaid expenses	46,804	31,252
Due from related parties, net	1,139,816	1,354,537
Total current assets	<u>2,497,714</u>	<u>2,780,967</u>
Other Assets:		
Restricted cash	1,082,970	446,572
Deposits	8,000	5,050
Intangible assets, net	32,967	42,167
Intangible lease assets, net	174,509	115,244
Total other assets	<u>1,298,446</u>	<u>609,033</u>
Total Assets	<u><u>\$ 3,796,160</u></u>	<u><u>\$ 3,390,000</u></u>
 LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 109,195	\$ 27,934
Accrued expenses	1,212,789	747,692
Initial franchise incentive liability	130,000	64,000
Current maturities of deferred franchise fees	169,310	150,510
Intangible lease liability, current	142,374	44,283
Total current liabilities	<u>1,763,668</u>	<u>1,034,419</u>
Long-Term Liabilities:		
Franchise deposits	80,000	40,000
Deferred franchise fees, net of current	760,156	465,033
Intangible lease liability, net of current	45,784	72,964
Long-term debt, net of current	142,500	142,500
Total long-term liabilities	<u>1,028,440</u>	<u>720,497</u>
Total Liabilities	<u>2,792,108</u>	<u>1,754,916</u>
Members' Equity	<u>1,004,052</u>	<u>1,635,084</u>
Total Liabilities and Members' Equity	<u><u>\$ 3,796,160</u></u>	<u><u>\$ 3,390,000</u></u>

See accompanying notes to the financial statements.

CML FRANCHISE, LLC
STATEMENTS OF INCOME AND MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
Revenue	\$ 7,246,168	\$ 5,302,370
Operating Expenses:		
Advertising	-	18,507
Brand advertising	1,142,831	529,450
Depreciation	9,200	3,833
Insurance	63,485	62,303
Legal and professional fees	432,174	224,118
Office expenses and other	503,085	466,550
Outside services	59,186	44,915
Rent	127,630	57,066
Salaries, wages and related	2,207,482	1,477,944
Taxes and licenses	9,202	2,335
Technology	29,215	7,193
Training	215,777	177,542
Travel and meals	182,608	108,117
Total operating expenses	4,981,875	3,179,873
Income from Operations	2,264,293	2,122,497
Other Income (Expense):		
Other income	192	60,864
Interest expense	(6,026)	(6,263)
Total other income (expense)	(5,834)	54,601
Net Income	2,258,459	2,177,098
Members' Equity, Beginning of Year	1,635,084	1,409,907
Member distributions	(2,889,491)	(1,951,921)
Members' Equity, End of Year	\$ 1,004,052	\$ 1,635,084

See accompanying notes to the financial statements.

CML FRANCHISE, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Cash Flows From Operating Activities:		
Net income	\$ 2,258,459	\$ 2,177,098
Adjustments to reconcile net income to net cash provided by operating activities:		
Accrued interest	3,399	5,398
Bad debt expense	-	40,819
Depreciation expense	9,200	3,833
Amortization of intangible lease asset	71,530	23,049
Changes in:		
(Increase) decrease in accounts receivable	(102,559)	(161,907)
(Increase) decrease in prepaid expenses	(15,552)	11,688
(Increase) decrease in due from related parties	214,721	308,990
(Increase) decrease in deposits	(2,950)	(5,050)
Increase (decrease) in accounts payable	81,261	12,047
Increase (decrease) in accrued expenses	461,698	520,951
Increase (decrease) in initial franchise incentive	66,000	64,000
Increase (decrease) in deferred franchise fees	313,923	157,070
Increase (decrease) in franchise deposits	40,000	-
Increase (decrease) in lease liability	(59,884)	(21,046)
Net cash provided by operating activities	<u>3,339,246</u>	<u>3,136,940</u>
Cash Flows From Investing Activities:		
Cost of intangible assets	<u>-</u>	<u>(46,000)</u>
Cash Flows From Financing Activities:		
Member distributions	<u>(2,889,491)</u>	<u>(1,951,921)</u>
Net Change in Cash	449,755	1,139,019
Cash, Beginning of Year	<u>1,429,813</u>	<u>290,794</u>
Cash, End of Year	<u><u>\$ 1,879,568</u></u>	<u><u>\$ 1,429,813</u></u>
<u>Supplemental disclosure of cash flow information:</u>		
Cash paid for interest	<u><u>\$ 2,627</u></u>	<u><u>\$ 865</u></u>

See accompanying notes to the financial statements.

CML FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2024 AND 2023

NOTE 1 – NATURE OF THE BUSINESS

The Company was organized in January 2014 as a limited liability company under the laws of the state of California. The principal activity of the Company is the sale of franchises that operate a mobile food truck serving lobster and other seafood items under the name “Cousins Maine Lobster”.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of CML Franchise, LLC (the “Company”) is presented to assist in understanding the Company’s financial statements. The financial statements and notes are representations of the Company’s management, which is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Presentation

The financial statements are prepared on the accrual basis of accounting, which recognizes income when earned and expenses when incurred.

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments available for current use with original maturity of three months or less to be cash equivalents. The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. Management believes the Company is not exposed to any significant credit risk on cash and cash equivalents.

Restricted Cash

For purposes of the balance sheet and the statements of cash flows, restricted cash consists of amounts contributed by franchisees which have been restricted for the marketing and advertising of the Company and its franchisees. The following table provides a reconciliation of cash and restricted cash within the balance sheets that aggregate to the same amounts presented in the statements of cash flows.

	2024	2023
Cash	\$ 796,598	\$ 983,241
Restricted cash	1,082,970	446,572
Total cash and restricted cash presented in the statements of cash flows	<u>\$ 1,879,568</u>	<u>\$ 1,429,813</u>

CML FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

The Company's receivables are primarily generated from ongoing business relationships with franchisees as a result of franchise agreements. Accounts receivable is stated at the amount the Company expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. December 31, 2024 and 2023, the Company did not have any allowance reported.

The contract related receivables were as follows for the year ended December 31:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Accounts receivable	\$ 514,496	\$ 411,937	\$ 290,849

Intangible Assets

Intangible assets are stated at cost, net of accumulated amortization, and consist primarily of software. For intangible assets with definite useful lives, these costs are amortized on a straight-line bases over the assets' estimated useful lives, which are five years.

Revenue Recognition

The Company executes franchise agreements for each franchise which set out the terms of the agreement with the franchisee. Franchise agreements typically require the franchisee to pay an initial, non-refundable fee and continuing fees based upon a percentage of sales or a percentage fee for each franchise awarded. Subject to the Company's approval and payment of a renewal fee, a franchisee may generally renew the franchise agreement upon its expiration.

The Company has determined that the services provided in exchange for initial franchise fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services the Company provides to its franchisees. As a result, initial franchise fees are recognized as revenue over the term of each respective franchise agreement. Revenues for these initial franchise fees are recognized on the straight-line basis, which is consistent with the franchisee's right to use and benefit from intellectual property.

The Company's contract liabilities are comprised of unamortized initial franchise fees. As of December 31, deferred franchise fees consisted of the following:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Deferred franchise fees	\$ 929,466	\$ 615,543	\$ 458,473
Less: current maturities	<u>(169,310)</u>	<u>(150,510)</u>	<u>(171,620)</u>
	<u>\$ 760,156</u>	<u>\$ 465,033</u>	<u>\$ 286,853</u>

CML FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

As of December 31, the Company expects to recognize contract liabilities as revenue over the remaining term of the associated franchise agreements as follows:

2025	\$	169,310
2026		156,460
2027		125,066
2028		85,948
2029		78,600
Thereafter		314,082
	\$	<u>929,466</u>

The Company has determined that services provided in connection with royalties collected and brand building activities provided to the franchisees are distinct. As a result, they are recognized at a point in time and are recognized monthly based as a percentage of revenues earned by the franchisees.

Expenses incurred to provide brand building services are presented on the statement of income and members' equity under the caption "brand advertising". Brand advertising funds received but not yet spent are accrued until such time as funds are expended.

As of December 31, the timing and recognition of revenue was as follows:

	<u>2024</u>	<u>2023</u>
Services transferred at a point in time	\$ 7,033,091	\$ 5,120,990
Services transferred over time	<u>213,077</u>	<u>181,380</u>
	<u>\$ 7,246,168</u>	<u>\$ 5,302,370</u>

Advertising

Advertising costs are expensed when incurred or the first time such advertisement appears.

Income Taxes

As a limited liability company, the Company's taxable income or loss is allocated to the members. Therefore, no provision or liability for federal or state income taxes has been included in the accompanying financial statements.

As defined by Financial Accounting Standards Board Accounting Standards Codification (ASC) Topic 740, Income Taxes, no provision or liability for materially uncertain tax positions was deemed necessary by management. Therefore, no provision or liability for uncertain tax positions has been included in these financial statements.

CML FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2024 AND 2023

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (Continued)

As of December 31, 2024, the tax years that remain subject to potential examination by taxing authorities begin with the year ended December 31, 2021.

Reclassifications

Certain reclassifications have been made to the prior year financial statement presentation to correspond to the current year's format. Members' equity was unchanged due to these reclassifications.

Adopted Accounting Pronouncements

In March 2022, the FASB issued ASU 2022-02, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which creates a new credit impairment standard for financial instruments. Under the new standard, the existing incurred loss model was replaced with a current expected credit loss (CECL) model for most receivables and various other financial instruments. Receivable assets under the standard are presented at the net amount expected to be collected through an allowance for credit losses. Expanded disclosures are also required. This ASU is effective for the Company for the year ended December 31, 2023. The adoption of this guidance did not have a material effect on the Company's financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which, among other things, requires the recognition of lease assets and lease liabilities by lessees, including for those leases classified as operating leases under previous GAAP, along with the disclosure of key information about leasing arrangements. When effective, the ASU supersedes FASB ASC 840, *Leases*, and adds Topic 842, *Leases*, to the FASB ASC. This ASU results in a right-of-use intangible asset and a corresponding liability for lease agreements (see Note 5). The ASU is effective for most nonprofit organizations for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. Early adoption was permitted. In addition to replacing FASB ASC 840 with FASB ASC 842, the ASU amends and supersedes other Topics throughout the FASB ASC. Effective in January 2023, the Company adopted this guidance with no material impact to the Company's financial statements.

NOTE 3 – INTANGIBLE ASSETS

Intangible assets consisted of the following at December 31:

	2024	2023
Software	\$ 46,000	\$ 46,000
Less: accumulated depreciation	(13,033)	(3,833)
	<u>\$ 32,967</u>	<u>\$ 42,167</u>

Amortization expense related to intangible assets was approximately \$9,200 and \$3,833 for the years ended December 31, 2024 and 2023, respectively.

CML FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2024 AND 2023

NOTE 4 – RELATED PARTY TRANSACTIONS

As of December 31, the Company had the following balances due from various entities related through common ownership for transactions such as loans and cost sharing of rent, insurance, and worker's compensation insurance:

	<u>2024</u>	<u>2023</u>
Due from CML Storefront, LLC	\$ 160,762	\$ 87,406
Due from CML Nashville, LLC	14,536	2,583
Due from (to) CML Online Shop, LLC	(18,263)	16,509
Due from Cousins Maine Lobster, LLC	80,006	131,515
Due from Cousins Seafood Distribution, LLC	902,775	1,116,524
	<u>\$ 1,139,816</u>	<u>\$ 1,354,537</u>

NOTE 5 – LEASES

During 2023, the Company adopted ASC 842 as discussed in Note 2 under “adoption of recent accounting pronouncements”. Accordingly, the Company has recognized an intangible right-of-use lease asset and associated lease obligation in the accompanying financial statements for its material long-term lease arrangements. The standard was implemented using the effective date method under the modified retrospective approach. The Organization has implemented the risk-free rate practical expedient in determining the discount rate applied to calculate the lease asset and associated obligation. The risk-free rates used was approximately 4.6%. The Organization has also elected to exclude short-term leases with terms less than twelve months or those with low asset values as a practical expedient.

The Company has entered into non-cancellable operating lease agreements for office space. These operating leases include escalating monthly payments ranging from \$4,000 to \$4,324, terms of 3 years, and maturity dates ranging from June 2026 through May 2027. Total rent expense under these lease agreements was \$79,295 and \$34,003 for the years ended December 31, 2024 and 2023, respectively.

Future minimum lease payments under the lease agreements are due as follows as of December 31, 2024:

2025	\$ 102,074
2026	77,354
2027	21,622
Total lease payments	<u>201,050</u>
Less: interest	<u>(12,892)</u>
Present value of lease obligations	<u>\$ 188,158</u>

CML FRANCHISE, LLC
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2024 AND 2023

NOTE 6 – LONG-TERM DEBT

As of December 31, long-term debt consisted of the following:

	<u>2024</u>	<u>2023</u>
On June 11, 2020, the Company was granted an Economic Injury Disaster Loan (EIDL) from a financial institution in the aggregate amount of \$100,700, (EIDL) pursuant to Section 7(b) of the Small Business Act, as amended. The loan matures in June 2050 and bears interest at a fixed rate of 3.75% per annum, payable monthly commencing in July 2022. The Note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used as working capital to alleviate economic injury caused by the disaster occurring in the month of January 2020. The loan is collateralized by assets of the Company.	<u>\$ 142,500</u>	<u>\$ 142,500</u>

As of December 31, long-term debt matures as follows:

2025	\$ -
2026	-
2027	1,687
2028	3,266
2029	3,391
Thereafter	<u>134,156</u>
	<u>\$ 142,500</u>

NOTE 7 – MANAGEMENT’S REVIEW OF SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 14, 2025, the date on which the financial statements were available to be issued. No other events were identified that required adjustment or disclosure in the financial statements.

CML Storefront, LLC

EXHIBIT C-3

Guarantee of Performance (Minnesota)

GUARANTEE OF PERFORMANCE

For value received, **CML FRANCHISE LLC**, a Maine limited liability company located at 125 John Roberts Road, Unit #2, South Portland, ME 04106 (the "**Guarantor**"), absolutely and unconditionally guarantees to assume the duties and obligations of **CML STOREFRONT, LLC**, a Maine limited liability company located at 125 John Roberts Road, Unit #2, South Portland, ME 04106 (the "**Franchisor**"), under its franchise registration in the State of Minnesota, and under its Franchise Agreement identified in its June 10, 2022 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time.

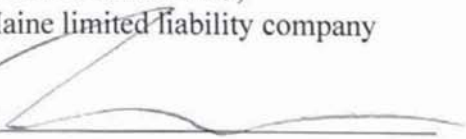
This guarantee continues until all such initial pre-opening obligations of the Franchisor under its franchise registrations in Minnesota and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees in Minnesota under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee in Minnesota against the Franchisor remains outstanding.

Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Saco, Maine on the 2nd day of September, 2022.

GUARANTOR:

CML Franchise LLC,
a Maine limited liability company

By: 

Name: Nicholas R. Loukes

Title: General Counsel

CML Storefront, LLC

EXHIBIT C-4

Guarantee of Performance (Hawaii)

GUARANTEE OF PERFORMANCE

For value received, **CML FRANCHISE LLC**, a Maine limited liability company (the “**Guarantor**”), located at 125 John Roberts Road, Unit #2, South Portland, ME 04106, absolutely and unconditionally guarantees to assume the duties and obligations of **CML STOREFRONT, LLC**, a Maine limited liability company located at 125 John Roberts Road, Unit #2, South Portland, ME 04106, (the “**Franchisor**”), under its franchise registration in the State of Hawaii and under its Franchise Agreement identified in its April 29, 2025, Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time.

This guarantee continues until all such obligations of the Franchisor under its franchise registrations in Hawaii and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees in Hawaii under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee in Hawaii against the Franchisor remains outstanding.

Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Newport Beach, CA on the 7/10/2025 day of 7/10/2025, 2025.

Guarantor: CML FRANCHISE LLC

By: SHAUN HIGGINS

Name: SHAUN HIGGINS

Title: President

CML Storefront, LLC

EXHIBIT C-5

Guarantee of Performance (Virginia)

GUARANTEE OF PERFORMANCE

For value received, **CML FRANCHISE LLC**, a Maine limited liability company, located at 125 John Roberts Road, Unit #2, South Portland, ME 04106 (the “**Guarantor**”), absolutely and unconditionally guarantees to assume the duties and obligations of **CML STOREFRONT, LLC**, a Maine limited liability company located at 125 John Roberts Road, Unit #2, South Portland, ME 04106 (the “**Franchisor**”), under its franchise registration in the State of Virginia, and under its Franchise Agreement identified in its June 27, 2023 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time.

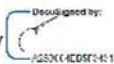
This guarantee continues until all such initial pre-opening obligations of the Franchisor under its franchise registrations in Virginia and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees in Virginia under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee in Virginia against the Franchisor remains outstanding.

Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Portland Maine, September on the ¹⁷ day of , 2023.

GUARANTOR:

CML Franchise LLC,
a Maine limited liability company

By  _____
Name: Sabin Lomac
Title: CEO

CML Storefront, LLC

EXHIBIT C-6

Guarantee of Performance (California)

GUARANTEE OF PERFORMANCE

For value received, CML FRANCHISE LLC, a Maine limited liability company, located at 125 John Roberts Road, Unit #2, South Portland, ME 04106 (the "Guarantor"), absolutely and unconditionally guarantees to assume the duties and obligations of CML STOREFRONT, LLC, a Maine limited liability company located at 125 John Roberts Road, Unit #2, South Portland, ME 04106 (the "Franchisor"), under its franchise registration in the State of California, and under its Franchise Agreement identified in its May 2, 2024 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time.

This guarantee continues until all such initial pre-opening obligations of the Franchisor under its franchise registrations in California and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees in California under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee in California against the Franchisor remains outstanding.

Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at _____ City and State _____ on the _____ day of 6/6/2024, 2024.

GUARANTOR:

CML Franchise LLC,
a Maine limited liability company

By: _____
Name: _____
Title: _____ President

DocuSigned by:
SHAUN HIGGINS
SHAUN HIGGINS

CML Storefront, LLC

EXHIBIT C-7

Guarantee of Performance (South Dakota)

GUARANTEE OF PERFORMANCE

For value received, **CML FRANCHISE LLC**, a Maine limited liability company (the “**Guarantor**”), located at 125 John Roberts Road, Unit #2, South Portland, ME 04106, absolutely and unconditionally guarantees to assume the duties and obligations of **CML STOREFRONT, LLC**, a Maine limited liability company located at 125 John Roberts Road, Unit #2, South Portland, ME 04106, (the “**Franchisor**”), under its franchise registration in the State of South Dakota and under its Franchise Agreement identified in its May 2, 2024, Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time.

This guarantee continues until all such initial pre-opening obligations of the Franchisor under its franchise registrations in South Dakota and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees in South Dakota under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee in South Dakota against the Franchisor remains outstanding.

Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Newport Beach, CA on the 7/17/2024 day of 2024.

Guarantor: CML FRANCHISE LLC

By: SHAUN HIGGINS

Name: SHAUN HIGGINS

Title: President

CML Storefront, LLC

EXHIBIT D

Operations Manual Table of Contents



Cousins Maine Lobster

CML Storefront, LLC Franchise

Operations Manual- 2019--Version 01.01.19

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CML Storefront, LLC

EXHIBIT E

State-Specific Addendum to Franchise Disclosure Document and Agreements

EXHIBIT E

**STATE-SPECIFIC ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT AND
FRANCHISE AGREEMENT**

The following modifications are to the Franchise Disclosure Document between CML Storefront, LLC (“Franchisor,” “we,” “us,” or “our”) and may supersede certain portions of the Franchise Agreement and Related Agreements between Franchisor and you (“you,” “you,” or “your” dated _____, 20__.

The state-specific amendments of this State Law Addendum to Franchise Disclosure Document, Franchise Agreement, and Related Agreements (“**State Addendum**”) supersede the related provisions of those agreements, and apply only to those persons residing or operating Food Trucks in the following states:

FOR THE STATE OF CALIFORNIA:

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

The Franchise Disclosure Document is hereby amended as follows:

The franchisor, any person or franchise broker in Item 2 of the FDD is not subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

California Business and Professions Code 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The Franchise Agreement contains a covenant not to compete, which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

The financial performance representation does not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur

in operating your franchised business. Franchisees or former franchisees, listed in the Franchise Disclosure Document, may be one source of this information.

California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

You must sign a general release of claims if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 Voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043). Accordingly, the Compliance Questionnaire attached as Exhibit F to the Franchise Disclosure Document is not required to be completed by California franchisees and in the event you complete the Compliance Questionnaire, we will destroy, disregard, and not rely on such Compliance Questionnaire.

The Franchise Agreement is hereby amended as follows:

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of California:

1. Any condition, stipulation, or provision in the Franchise Agreement which would result in your waiver of compliance with any provision of the California Franchise Relations Act is void to the extent that such provision violates such act.
2. California Business and Professions Code 20000 through 20043 provide rights to a franchisee concerning termination or non-renewal of a franchise. If the Franchise Agreement contain a provision that is inconsistent with the law, the law will control.
3. No statement, questionnaire, or acknowledgment signed by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

For the purposes of Cal. Bus. & Prof. Code Section 20022, the parties agree as follows:

The parties agree that they will use the declining-balance depreciation method to calculate the value of Franchisee's inventory, supplies, equipment, fixtures, and furnishings (the "Assets") for the purposes of a purchase by us under Section 20022. The purchase price by us for the Assets will not include the cost of removal and transportation of those assets, which will be your responsibility.

The parties agree that for the purposes of Section 20022, you are not able to provide to us "clear title and possession" to your Assets if those Assets are subject to liens or encumbrances including: a) purchase money security interest; b) blanket security interest; c) right of first refusal; d) lien by franchisee's landlord; or e) tax lien.

The parties agree that for the purposes of Section 20022(h), our right of offset will include the following amounts owed by you to us or our Affiliates: a) Royalty Fees; b) Advertising Fund

Contributions; c) Social Media fees; d) Liquidated Damages; e) Transfer Fees; and f) any other type of fee owed by you to us or our Affiliates.

For the purposes of Cal. Bus. & Prof. Code Section 20035, the parties agree as follows:

“Fair market value of the franchise assets” means the value of your Assets, valued according to the declining-balance method of depreciation. The purchase price by us for the Assets will not include the cost of removal and transportation of those assets, which will be your responsibility.

“Fair market value of the franchised business” means the “fair market value of the franchise assets” as defined above, plus goodwill. The parties agree that the value of goodwill is the amount of Royalty Fees paid by you to us within the 12-month period immediately before our termination or failure to renew you in violation of the California Franchise Relations Act.

The Department of Financial Protection and Innovation has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a requirement for us to obtain a Guarantee of Performance from a guarantor who shows financial ability to meet the franchisor’s obligations. Our guarantor is CML Franchise LLC and their financial statements are attached to this FDD in Exhibit C-6. We will provide you with a copy of the Guarantee of Performance upon request.

The Compliance Questionnaire is hereby amended as follows:

California Franchisees are not required to complete the Compliance Questionnaire. If any California franchisee completes the Compliance Questionnaire, we will destroy, disregard, and will not rely on such Compliance Questionnaire.

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

FOR THE STATE OF CONNECTICUT:

The following statement is added to the cover page of the Franchise Disclosure Document:

The State of Connecticut does not approve, recommend, endorse or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

The following statement is added to Item 3 of the Franchise Disclosure Document:

There are no pending or completed actions against us relating to Securities Laws; Business Opportunity Laws; Actions Brought by Present or Former Purchaser-Investors Involving Franchise; or Business Opportunity Relationships that are required to be disclosed in this Disclosure Document.

The FDD and Franchise Agreement are hereby modified to state that, if we require you to purchase products, equipment or supplies from us but fail to provide those products, equipment or supplies or fails to render the services necessary to begin substantial operation of the business within 45 days of the required opening date stated in your contract, you may notify us in writing and demand that the contract be canceled.

FOR THE STATE OF HAWAII:

The following is added to the Cover Page:

THIS FRANCHISE WILL BE/HAS BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO YOU OR SUBFRANCHISOR AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY YOU OR SUBFRANCHISOR OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY YOU, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH US AND YOU.

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

FOR THE STATE OF ILLINOIS:

Sections 4 and 41 and Rule 608 of the Illinois Franchise Disclosure Act states that court litigation must take place before Illinois federal or state courts and all dispute resolution arising from the terms of this Agreement or the relationship of the parties and conducted through arbitration or litigation shall be subject to Illinois law. The Franchise Disclosure Document and Franchise Agreement are amended accordingly.

The governing law or choice of law clause described in the Franchise Disclosure Document and contained in the Franchise Agreement may not be enforceable under Illinois law. This governing law clause shall not be construed to negate the application of the Illinois Franchise Disclosure Act in all situations to which it is applicable. Section 41 of the Illinois Franchise Disclosure Act states that “any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void.”

To the extent that the Franchise Agreement would otherwise violate Illinois law, the agreements are amended by providing that all litigation by or between you and us, arising directly or indirectly from the franchise relationship, will be commenced and maintained in the state courts of Illinois or, at our election, the United States District Court for Illinois, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements, and Illinois law will pertain to any claims arising under the Illinois Franchise Disclosure Act.

17(v), Choice of Forum, of the Franchise Disclosure Document is revised to include the following: “provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act”.

17(w), Choice of Law, of the Franchise Disclosure Document is revised to include the following: “provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act”.

The termination and non-renewal provisions in the Franchise Disclosure Document and Franchise Agreement may not be enforceable under Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Under Section 705/27 of the Illinois Franchise Disclosure Act, no action for liability under the Illinois Franchise Disclosure Act can be maintained unless brought before the expiration of 3 years after the act or transaction constituting the violation upon which it is based, the expiration of 1 year after you become aware of facts or circumstances reasonably indicating that you may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to you of a written notice disclosing the violation, whichever shall first expire. To the extent that the Franchise Agreement are inconsistent with the Illinois Franchise Disclosure Act, Illinois law will control and supersede those provisions.

You must open your franchised business within 10 months of signing your Franchise Agreement or the Franchisor may terminate the Agreement and you will lose your investment.

The Franchise Agreement and Franchise Disclosure Document are hereby amended as follows:

Due to our financial condition, the Office of the Attorney General of the State of Illinois has required us to defer all initial fees until your business is open and operating. All of your initial fees, including your initial franchise fee (if any) will be deferred until our initial obligations to you are complete and your business is open and operating.

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

See the last page of this Exhibit E for your required signature.

FOR THE STATE OF INDIANA:

Item 8 of the Franchise Disclosure Document is amended to add the following:

Under Indiana Code Section 23-2-2.7-1(4), we will not accept any rebates from any person with whom you do business or associate in relation to transactions between you and the other person,

other than for compensation for services rendered by us, unless the rebate is properly accounted for and submitted to you.

Item 17 of the Franchise Disclosure Document is amended to add the following:

17(e) is amended subject to Indiana Code 23-2-2.7-1(7), which makes it unlawful for us to unilaterally terminate your franchise agreement unless there is a material violation of the Franchise Agreement and termination is not in bad faith.

17(m) is amended subject to Indiana Code 23-2-2.7-1(5), which prohibits us to require you to agree to a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Act.

17(r) is amended subject to Indiana Code 23-2-2.7-1(9) to provide that the post-term non-competition covenant will have a geographical limitation of the Territory granted to you.

17(v) is amended to provide that you will be permitted to begin litigation in Indiana for a cause of action under Indiana law.

17 (w) is amended to provide that if there is a conflict of law, Indiana Law governs any cause of action which arises under the Indiana Disclosure Law or Indiana Deceptive Franchise Practices Act.

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the Franchise Disclosure Document, the Franchise Agreement, or Maine law, if such provisions are in conflict with Indiana law.
2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined under law as including any material breach of the Franchise Agreement, will supersede the provisions of the Agreement to the extent the Agreement may be inconsistent with such prohibition.
3. Any provision in the Franchise Agreement which would require you to prospectively assent to a release, or, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.
4. The Franchise Agreement will be modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 (9).
5. The following provision will be added to the Franchise Agreement:

No Limitation on Litigation. Any provision in the Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any such contractual provision violates the Indiana Deceptive Franchise Practices Law.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance

on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FOR THE STATE OF IOWA

Any provision in the Franchise Agreement or Compliance Questionnaire which would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Iowa Business Opportunity Promotions Law (Iowa Code Ch. 551A) is void to the extent that such provision violates such law.

The following language will be added to the Franchise Agreement:

NOTICE OF CANCELLATION

_____ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within three business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled. If you cancel, you must make available to the seller at your residence or business address, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do not agree to return the goods to the seller or if the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to Sabin Lomac at CML Storefront, LLC, 125 John Roberts Road, Unit #2, South Portland, ME 04106, phone (855) 855-4265 or email: sabin@cousinsmainelobster.com, not later than midnight of the third business day after the Effective Date.

I hereby cancel this transaction.

Franchisee: _____

By: _____

Print Name: _____

Its: _____

Date: _____

FOR THE STATE OF MARYLAND

The Franchise Disclosure Document, Franchise Agreement, and Compliance Questionnaire are amended as stated below.

Item 17 of the Franchise Disclosure Document and sections of the Franchise Agreement requiring that you sign a general release, estoppel or waiver as a condition of renewal and or assignment, will not apply to liability under the Maryland Franchise Registration and Disclosure Law.

Item 17 of the Franchise Disclosure Document and sections of the Franchise Agreement are amended to state that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration & Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

The Franchise Agreement provide for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A Sec. 101 *et seq.*).

The Franchise Agreement and Compliance Questionnaire are amended to state: “[a]ll representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.”

The Franchise Agreement and Franchise Disclosure Document are hereby amended as follows:

Due to our financial condition, the State of Maryland Office of the Attorney General Securities Division has required us to defer all initial fees until your business is open and operating. All of your initial fees, including your initial franchise fee (if any) will be deferred our initial obligations to you are complete and your business is open and operating.

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

FOR THE STATE OF MICHIGAN

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

The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you:

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

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

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

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

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

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

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

(i) The failure of the proposed transferee to meet our then current reasonable qualifications or standards.

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

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

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

A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised

value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c)

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

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General
Consumer Protection Division
Attn: Franchise
670 Law Building
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

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

FOR THE STATE OF MINNESOTA:

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Minnesota:

1. Any provision in the Franchise Agreement that would require you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22 will be void to the extent that such contractual provision violates such law.
2. Minnesota Statute Section 80C.21 and Minnesota Rule 2860.4400J prohibit the franchisor from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the Franchise Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of Minnesota.
3. Minn. Rule Part 2860.4400J prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. Any provision in the Agreement which would require you to waive your rights to any procedure, forum or remedies provided for by the laws of the State of Minnesota is deleted from any Agreement relating to franchises offered and sold in the State of Minnesota; provided, however, that this paragraph will not affect the obligation in the Agreement relating to arbitration.

4. With respect to franchises governed by Minnesota law, we will comply with Minnesota Statute Section 80C.14, Subdivisions. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the Agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

5. Item 13 of the FDD is hereby amended to state that we will protect your rights under this Agreement to use the Marks, or indemnify you from any loss, costs, or expenses arising out of any third-party claim, suit or demand regarding your use of the Marks, if your use of the Marks is in compliance with the provisions of the Agreement and our System standards. Notwithstanding anything to the contrary in the Franchise Agreement, we will protect your rights under this Agreement to use the Marks, or indemnify you from any loss, costs, or expenses arising out of any third-party claim, suit or demand regarding your use of the Marks, if your use of the Marks is in compliance with the provisions of the Franchise Agreement and our System standards.

6. Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release. As a result, the provisions of the Franchise Agreement that require you to sign a general release prior to renewing or transferring your franchise are hereby deleted from the Franchise Agreement.

7. The following language will be added to the Franchise Agreement:

No Abrogation. Pursuant to Minnesota Statutes, Section 80C.21, nothing in this Agreement will in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80.C.

9. Minnesota Statute Section 80C.17 states that no action for a violation of Minnesota Statutes, Sections 80C.01 to 80C.22 may be commenced more than three years after the cause of action accrues.

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

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FOR THE STATE OF NEW YORK:

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY ST. 21ST FLOOR, NEW YORK, NY 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for franchisee to renew or extend,**" and Item 17(m), entitled "**Conditions for franchisor approval of transfer**":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “**Termination by franchisee**”:

You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled “**Choice of forum**”, and Item 17(w), titled “**Choice of law**”:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

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

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20____.

ATTEST CML FRANCHISE LLC

Witness Name:

By: _____
Name: _____
Title: _____

Franchisee:

Witness:

FOR THE STATE OF NORTH DAKOTA:

Sections of the Franchise Disclosure Document, Franchise Agreement requiring that you sign a general release, estoppel or waiver as a condition of renewal and/or assignment may not be enforceable as they relate to releases of the North Dakota Franchise Investment Law.

The Franchise Agreement and Confidentiality / Non-Competition Agreement contain a covenant not to compete which may not be enforceable under North Dakota law.

Sections of the Franchise Disclosure Document and Franchise Agreement requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Item 17(v) of the Franchise Disclosure Document and Section 19 of the Franchise Agreement provide that franchisees must consent to the jurisdiction of courts in Maine. The North Dakota Securities Commissioner has held that requiring franchisees to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, the statement in Item 17(v) of the Franchise Disclosure Document and Section 19 of the Franchise Agreement that franchisees must consent to the jurisdiction of courts in Maine are hereby deleted.

Sections of the Franchise Disclosure Document and Franchise Agreement requiring you to consent to liquidated damages and/or termination penalties may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

Sections of the Franchise Disclosure Document and Franchise Agreement requiring you to consent to a waiver of trial by jury may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

Section 19.8 of the Franchise Agreement requires you to consent to a limitation of claims within one year. The North Dakota Securities Commissioner has determined this to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The provision is hereby amended to read the statute of limitations under North Dakota Law will apply.

Section of the Franchise Disclosure Document and Franchise Agreement requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

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

FOR THE STATE OF OHIO:

The following language will be added to the Franchise Agreement:

You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

NOTICE OF CANCELLATION

_____ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to Sabin Lomac at CML Storefront, LLC, 125 John Roberts Road, Unit #2, South Portland, ME 04106, phone (855) 855-4265 or email: sabin@cousinsmainelobster.com, not later than midnight of the fifth business day after the Effective Date.

I hereby cancel this transaction.

you: _____

By: _____

Print Name: _____

Its: _____

Date: _____

FOR THE STATE OF RHODE ISLAND:

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.” The Franchise Disclosure Document and Franchise Agreement are amended accordingly to the extent required by law.

The above language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and you do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all choice of law provisions, are fully enforceable. The Franchisor and you intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

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

franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FOR THE STATE OF VIRGINIA:

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 17(h) of the Disclosure Document. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the Franchise Agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

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

FOR THE STATE OF WASHINGTON:

Washington Addendum to the Franchise Disclosure Document, Franchise Agreement, and All Related Agreements

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

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a

negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.
9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).
10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).
11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.
12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.
13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.
14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent

contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.
16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).
18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.
19. **Deferred Collection of Initial Franchise Fees.** The State of Washington has imposed a financial condition under which the initial franchise fees due will be deferred until the franchisor has fulfilled its initial pre-opening obligations under the Franchise Agreement and the franchise is open for business.
20. Section 17.8 of the Franchise Agreement is hereby amended and restated as follows:

17.8. Step-In Rights and Management. To prevent any interruption of business of your Food Truck and any injury to the goodwill and reputation of your Food Truck, the System, or other Food Trucks or Storefronts which may be caused by such interruption, in the event of: (a) your default under this Agreement; (b) our reasonable belief that a condition of your Food Truck or any product sold at your Food Truck poses a threat to the health or safety of customers; or (c) your death or permanent incapacity (mental or physical), we will have the right (but not the obligation) to operate your Food Truck for a reasonable period, not to exceed six (6) months. You hereby authorize us to undertake such operation, and agree that our operation of and making corrections to, your Food Truck within our reasonable business judgment will not make us or our agents guilty of trespass or any other tort, and that our exercising these rights will not constitute a waiver of any other rights or remedies we may have under this Agreement. If we operate your Food Truck, we will have the right to collect and pay from the revenues of your Food Truck all expenses relating to the operation of your Food Truck including, without limitation, Royalty Fees, Advertising Fund Contributions, payments for inventory and supplies (including payments to our Affiliates), employee salaries, reimbursement of our expenses incurred in connection with such operation (including travel, lodging, and living expenses), and our then-current, reasonable management fee. You must

indemnify and hold us harmless from any and all claims arising from the alleged acts and omissions of us and our representatives in exercising rights under this Section.

21. Section 18.7 of the Franchise Agreement is hereby amended and restated as follows:

18.7 Liquidated Damages. If an early termination of this Agreement occurs (which will mean any termination of the Agreement before the end of the Term, other than due to a mutual termination, your valid termination under Section 17.6, or your valid and approved Transfer of the Agreement), you will, within fifteen (15) days of such early termination, pay to us liquidated damages (“**Liquidated Damages**”). You agree that the Liquidated Damages are not a penalty, and that it would be impracticable or extremely difficult for us to calculate the actual amount you would have been obligated to pay us as Royalty Fees through the end of the Term. As a result, the parties agree that the following method of calculation represents a fair and reasonable estimate of our damages. Liquidated Damages will be equal to:

The greater of the combined monthly average of Royalty Fees (without regard to any fee waivers or other reductions) that are owed by you to us during the six (6) month period prior to the date of early termination; or (b) three thousand five hundred dollars (\$3,500),

multiplied by

The lesser of: (i) twenty-four (24), or (ii) the number of full months remaining in the Term.

22. The last sentence of Section 20.2 is hereby deleted.

23. Section 2(e) of the Franchise Owner Agreement (Addendum 2 to the Franchise Agreement) is hereby deleted in its entirety.

24. Exhibit G-2 to the Franchise Disclosure Document (“Sample System Protection Agreement”) to remove the following paragraph from Section 5:

You acknowledge and agree that the restrictions set forth herein are reasonable, in terms of scope, duration, geographic area, and otherwise that the protections afforded to Cousins Maine Lobster hereunder are necessary to protect its legitimate business interests.

25. The following risk factor is added to “Special Risks to Consider About *This* Franchise:”

Use of Franchise Brokers. The franchisor may use the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor’s current and former franchisees to ask them about their experience with the franchisor.

IN WITNESS WHEREOF, the parties hereto have duly executed this State Law Addendum as of the Effective Date of the Franchise Agreement between the parties.

CML Storefront, LLC you: _____

By: _____ By: _____

Print Name: _____

Print Name: _____

Its: _____

Its: _____

Date: _____

Date: _____

[This Area is Intentionally Left Blank]

FOR THE STATE OF WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement if such provision is in conflict with that law. The Franchise Disclosure Document and Franchise Agreement are amended accordingly.

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

ACKNOWLEDGMENT:

It is agreed that the applicable foregoing State-Specific Addendum, if any, supersedes any inconsistent portion of the Franchise Disclosure Document, Franchise Agreement, and Related Agreements dated the ____ day of _____, 20____, and the parties further acknowledge and agree that this State-Specific Addendum is applicable only to those persons specifically subject to the protections of the state laws referenced in this State-Specific Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed this State Law Addendum as of the Effective Date of the Franchise Agreement between the parties.

CML Storefront, LLC

you: _____

By: _____

By: _____

Print Name: _____

Print Name: _____

Its: _____

Its: _____

Date: _____

Date: _____

CML Storefront, LLC

EXHIBIT F

Compliance Questionnaire

EXHIBIT G

COMPLIANCE QUESTIONNAIRE

As you know, CML Storefront LLC (“we” or “us”), and you are preparing to enter into a Franchise Agreement for the operation of one or more Cousins Maine Lobster® Restaurants. The purpose of this questionnaire is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate, or misleading, to be certain that you have been properly represented in this transaction, and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. **You cannot sign or date this questionnaire the same day as the Receipt for the Franchise Disclosure Document, but you must sign and date it the same day you sign the Franchise Agreement.** Please review each of the following questions carefully and provide honest responses to each question. If you answer “No” to any of the questions below, please explain your answer in the table provided below. **If there is not enough room in the space we provide on this questionnaire to give a complete written explanation, please attach additional pages as necessary.**

We will not ask you to complete this form, and we will disregard any answers from you, if you live or plan to operate your franchise in the states of California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, Wisconsin.

1. Yes___ No___ Have you received and personally reviewed the Franchise Agreement, and each attachment or exhibit attached to them that we provided?
2. Yes___ No___ Have you received and personally reviewed the Franchise Disclosure Document and each attachment or exhibit attached to it that we provided?
3. Yes___ No___ Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?
4. Yes___ No___ Do you understand all the information contained in the Franchise Disclosure Document and Franchise Agreement?
5. Yes___ No___ Have you reviewed the Franchise Disclosure Document and Franchise Agreement with a lawyer, accountant, or other professional advisor, or have you had the opportunity for such review and chosen not to engage such professionals?
6. Yes___ No___ Have you had the opportunity to discuss the benefits and risks of developing and operating a Cousins Maine Lobster® Restaurant with an existing Cousins Maine Lobster® franchisee?
7. Yes___ No___ Do you understand the risks of developing and operating a Cousins Maine Lobster® Restaurant?
8. Yes___ No___ Do you understand the success or failure of your Cousins Maine Lobster® Restaurant will depend in large part upon your skills, abilities, and efforts, and those of the persons you employ, as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor and supply costs, and other relevant factors?

9. Yes___ No___ Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement must be arbitrated in Maine, if not resolved informally or by mediation?
10. Yes___ No___ Do you understand that you must satisfactorily complete the initial training program before we will allow your Cousins Maine Lobster® Restaurant to open or consent to a transfer of the Cousins Maine Lobster® Restaurant to you?
11. Yes___ No___ Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Cousins Maine Lobster® Restaurant that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
12. Yes___ No___ Do you agree that no employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement and any addendum, concerning advertising, marketing, media support, marketing penetration, training, support service, or assistance that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
13. Yes___ No___ Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Cousins Maine Lobster® Restaurant will generate that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
14. Yes___ No___ Do you understand that the Franchise Agreement, including each attachment or exhibit to the Franchise Agreement, contains the entire agreement between us and you concerning the Cousins Maine Lobster® Restaurant, meaning any prior oral or written statements not set out in the Franchise Agreement or the attachments or exhibits to the Franchise Agreement will not be binding?
15. Yes___ No___ Do you understand that as a natural (and live) product, there are several factors that can affect the amount of usable meat that is in any processed batch of lobster, including the season in which the lobster is harvested; the manner in which the product is handled on your end; the company that processes the lobster; and the water weight content of the processed lobster, and that due to these and other factors, we cannot control the amount of usable lobster meat yielded per pound of lobster that you order?
16. Yes___ No___ Do you understand that we are relying on your answers to this questionnaire to ensure that the franchise sale was made in compliance of state and federal laws?

[Questionnaire Continues on Next Page]

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

Signature of Franchise Applicant

Signature of Franchise Applicant

Name (please print)

Name (please print)

Date

Date

EXPLANATION OF ANY NEGATIVE RESPONSES (REFER TO QUESTION NUMBER):

Question Number	Explanation of Negative Response

CML Storefront LLC

EXHIBIT G

Contracts for use with the Cousins Maine Lobster® Franchise

The following contracts contained in Exhibit G are contracts that you are required to utilize or execute after signing the Franchise Agreement in the operation of the Cousins Maine Lobster® franchise. The following are the forms of contracts that CML Storefront LLC uses as of the Issuance Date of this Franchise Disclosure Document. If they are marked “Sample,” they are subject to change at any time.

Exhibit G-1
Sample General Release Agreement

GENERAL RELEASE

As a condition to CML Storefront LLC's ("Franchisor") consent to **[grant a Successor Franchise Agreement to] [the proposed transfer of the Franchise Agreement] [obtain an additional Cousins Maine Lobster® franchise or add an additional Food Truck to the existing Territory]** by **[name of franchisee]** ("Franchisee") under the Franchise Agreement dated _____ **[date of Franchise Agreement]**, the undersigned, and each of their respective corporate parents, subsidiaries, Affiliates, successors in interest, heirs and assigns, and each of their respective owners, Managers, directors, officers, agents, servants, and employees, as applicable, whether specifically mentioned herein or not, do hereby release, acquit and forever discharge Franchisor and its respective parents, subsidiaries, Affiliates, and successors in interest, and each of their respective directors, officers, agents, servants, employees, whether specifically mentioned herein or not, of and from any and all liability, actions, causes of action, Claims, debts, demands, damages and liabilities to person(s) or property, costs, expenses and compensation of every nature, kind and character whatsoever, whether known or unknown, foreseen or unforeseen, direct, indirect, contingent or actual, liquidated or unliquidated, whether statutory, contract, or in tort on account of or in any way connected with or related to Franchisor's, or Franchisor's Affiliate's, offer, sale, grant of, construction, subleasing, operation of, assistance with operation of, or development of franchises or franchise rights in any and all franchise locations awarded at any time to the undersigned and from the inception of any contact with Franchisor to the date of this Release. It is the express intention of the undersigned that this Release be as broad as permitted by law. This Release is inapplicable with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

Undersigned represents and warrants that execution hereof is free and voluntary; that no inducements, threats, representations, or influences of any kind were made or exerted by or on behalf of Franchisor; and that, prior to the execution hereof, undersigned was given the opportunity, if desired, to consult with counsel. This Release shall be binding upon the undersigned, their heirs, successors and legal representatives. Whenever the text hereof requires, the use of singular number shall include the appropriate plural number as the text of the within instrument may require. This Release may not be changed orally.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, OR OTHER ENTITY, EACH OF ITS PRINCIPALS AND OWNERS / MANAGERS / SHAREHOLDERS AND A DULY AUTHORIZED OFFICER MUST EXECUTE THIS RELEASE (Attach Additional Sheets if Necessary).

By: _____

Name: _____

By: _____

Name: _____

Exhibit G-2
Sample System Protection Agreement

THIS SYSTEM PROTECTION AGREEMENT (“**Agreement**”) is made and entered into this _____ day of _____, 20____, between (“**you**”); and _____ (“**Franchisee**”).

RECITALS

A. Franchisee has entered into a franchise agreement with CML Storefront LLC (“**Cousins Maine Lobster**”).

B. You are a Designated Manager, officer, director, or an entity affiliated with, or providing products or services to Franchisee.

C. As a result of Franchisee’s relationship with you, you will have access to certain confidential and proprietary information of Cousins Maine Lobster.

NOW, THEREFORE, in consideration of the foregoing and in order to induce Cousins Maine Lobster to enter into, or to continue, a relationship with you, the parties hereby agree as follows:

1. **Cousins Maine Lobster Is Third Party Beneficiary.** You and Franchisee acknowledge and agree that this Agreement is made for their mutual benefit and for the benefit and protection of Cousins Maine Lobster, which is an intended third party beneficiary of this Agreement with rights to enforce the remedies provided herein.

2. **Confidential Information.** It is understood that as a result of your position or relationship with Franchisee, you will be afforded access to confidential and/or proprietary information of Cousins Maine Lobster. In consideration of Cousins Maine Lobster’s agreement to enter into and continue its business relationship with Franchisee and to continue to make available to you and Franchisee information, including confidential and/or proprietary information, relating to Cousins Maine Lobster and its business and operations, you agree not to disclose, furnish, divulge, communicate, or otherwise directly or indirectly use any of the confidential and/or proprietary information of Cousins Maine Lobster (including without limitation sales and marketing methods and data, operating and other business data, computer programs, trade secrets, business plans, advertising and promotional methods, financial information and data, product information, information regarding current or prospective customers and clients, other franchisees, agencies, Suppliers, and other related information) (hereinafter, “**Confidential Information**”), other than strictly incidental to, and solely in furtherance and within the scope of, your relationship with Cousins Maine Lobster and your employment or business relationship with Franchisee, which obligation applies at all times during and following your employment or relationship with Franchisee, regardless of the manner in which such employment or relationship ends or the reason for it ending. “Confidential Information” shall not include information which: (a) at or prior to the time of receipt was in the public domain; (b) at or prior to the time of receipt by you or the signing of the Franchise Agreement, whichever occurred first, was known to you and in actual commercial use by you or generally within the industry, in the manner and combination disclosed; or (c) is subsequently received by you or Franchisee from an independent third party not in breach of any duty of nondisclosure, secrecy, nonuse or similar duty, but only to the extent and in the form, manner and combination so disclosed.

You agree not to make any copies of, reproductions of, or extracts of any Confidential Information of Cousins Maine Lobster except strictly incidental to, and solely in furtherance and within the scope of, your relationship with Cousins Maine Lobster and your employment or business relationship with Franchisee. Upon termination of the Franchise Agreement (or of Franchisee’s relationship with you, as the case may be), for any reason, you must return all lists, printouts, memoranda, reports, surveys, studies, notes, letters and all other documents then in your possession or under your control containing or relating to any Confidential Information, whether in paper, digital, or other form or medium, without retaining any copies or reproductions thereof in any form.

If you receive a subpoena or any other form of legal process seeking to compel the production of any Confidential Information, you will immediately provide Franchisee and Cousins Maine Lobster with written notice of the receipt

of such subpoena or process and a copy thereof, and will cooperate with Franchisee and Cousins Maine Lobster in any action they take to oppose the production of Confidential Information or to obtain a protective order. Written notice to Cousins Maine Lobster shall be given to its President.

3. **Covenant Not to Compete.** While you maintain a relationship with Franchisee, you shall not engage in any activity which competes directly or indirectly with Cousins Maine Lobster in any state in which Cousins Maine Lobster is doing business or in which it has current plans to begin business, except with the written permission of Franchisee or Cousins Maine Lobster. If your relationship with Franchisee is terminated for any reason, you will be prohibited for a period of two (2) years from the date of such termination, from any place within fifteen (15) miles of Franchisee's location, from:

- (a) Directly or indirectly soliciting any customer or client of Cousins Maine Lobster or Franchisee.
- (b) Inducing, advising, suggesting or attempting to influence directly or indirectly anyone affiliated with Cousins Maine Lobster's franchisees to terminate employment or establish a professional relationship with another person or entity.
- (c) Directly or indirectly participating in or being connected in any manner with the ownership, management or operation of any business or entity that competes with Cousins Maine Lobster, in offering or selling services relating to lobster, seafood, soups, or related products.

4. **Non-solicitation.** While you are employed by or associated with Franchisee, and for two (2) years after your employment or relationship ends, you must not, without prior written permission of Cousins Maine Lobster, directly or indirectly solicit or attempt to solicit any customers or clients for whom you provided services while you were employed by or affiliated with Franchisee.

5. **Breach of Agreement.** You acknowledge and agree that your violation or breach of the "Covenant Not to Compete," disclosure of "Confidential Information," or the "Non-solicitation" provisions, as provided herein by this Agreement will cause irreparable injury to Cousins Maine Lobster for which there is no adequate remedy at law. Accordingly, you agree that in the event of any breach or violation of this Agreement, Cousins Maine Lobster and/or Franchisee will be entitled to enforce this Agreement by injunctive and any other equitable relief in any court of competent jurisdiction. Such relief will be in addition to other remedies available at law, including without limitation, recovery of damages. You agree to comply with a judgment forbidding you from violating these provisions in the event there is a finding of breach. In addition, Cousins Maine Lobster will be entitled to recover and obtain from you all costs including, without limitation, reasonable attorneys' fees associated with any legal action arising out of your breach of any of the provisions of this Agreement.

If any phrase, clause or provision of this Agreement is declared invalid or unenforceable by a court of competent jurisdiction, such phrase, clause or provision shall be deemed severed from this Agreement, but will not affect any other provisions of this Agreement, all of which will otherwise remain in full force and effect.

You acknowledge and agree that the restrictions set forth herein are reasonable, in terms of scope, duration, geographic area, and otherwise that the protections afforded to Cousins Maine Lobster hereunder are necessary to protect its legitimate business interests.

6. **Choice of Law.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the state in which Franchisee's business is located, without respect to its conflict of laws principles.

[Signature Page Follows]

[Name of Franchisee]

You: _____

By: _____

By: _____

Print Name: _____

Print Name: _____

Its: _____

Its: _____

Date: _____

Date: _____

Exhibit G-3
Sample Confidentiality Agreement

THIS CONFIDENTIALITY AGREEMENT (“**Agreement**”) is made and entered into this _____ day of _____, 20____, between (“**you**”); and _____ (“**Franchisee**”).

RECITALS

- A. Franchisee has entered into a franchise agreement with CML Storefront LLC (“**Cousins Maine Lobster**”).
- B. You are an employee of Franchisee.
- C. As a result of Franchisee’s relationship with you, you will have access to certain confidential and proprietary information of Cousins Maine Lobster.

NOW, THEREFORE, in consideration of the foregoing and in order to induce Cousins Maine Lobster to enter into, or to continue, a relationship with you, the parties hereby agree as follows:

1. Cousins Maine Lobster Is Third Party Beneficiary. You and Franchisee acknowledge and agree that this Agreement is made for their mutual benefit and for the benefit and protection of Cousins Maine Lobster, which is an intended third party beneficiary of this Agreement with rights to enforce the remedies provided herein.

2. Confidential Information. It is understood that as a result of your position or relationship with Franchisee, you will be afforded access to confidential and/or proprietary information of Cousins Maine Lobster. In consideration of Cousins Maine Lobster’s agreement to enter into and continue its business relationship with Franchisee and to continue to make available to you and Franchisee information, including confidential and/or proprietary information, relating to Cousins Maine Lobster and its business and operations, you agree not to disclose, furnish, divulge, communicate, or otherwise directly or indirectly use any of the confidential and/or proprietary information of Cousins Maine Lobster (including without limitation sales and marketing methods and data, operating and other business data, computer programs, trade secrets, business plans, advertising and promotional methods, financial information and data, product information, information regarding current or prospective customers and clients, other franchisees, agencies, Suppliers, and other related information) (hereinafter, “**Confidential Information**”), other than strictly incidental to, and solely in furtherance and within the scope of, your relationship with Cousins Maine Lobster and your employment or business relationship with Franchisee, which obligation applies at all times during and following your employment or relationship with Franchisee, regardless of the manner in which such employment or relationship ends or the reason for it ending. “Confidential Information” shall not include information which: (a) at or prior to the time of receipt was in the public domain; (b) at or prior to the time of receipt by you or the signing of the Franchise Agreement, whichever occurred first, was known to you and in actual commercial use by you or generally within the industry, in the manner and combination disclosed; or (c) is subsequently received by you or Franchisee from an independent third party not in breach of any duty of nondisclosure, secrecy, nonuse or similar duty, but only to the extent and in the form, manner and combination so disclosed.

You agree not to make any copies of, reproductions of, or extracts of any Confidential Information of Cousins Maine Lobster except strictly incidental to, and solely in furtherance and within the scope of, your relationship with Cousins Maine Lobster and your employment or business relationship with Franchisee. Upon termination of the Franchise Agreement (or of Franchisee’s relationship with you, as the case may be), for any reason, you must return all lists, printouts, memoranda, reports, surveys, studies, notes, letters and all other documents then in your possession or under your control containing or relating to any Confidential Information, whether in paper, digital, or other form or medium, without retaining any copies or reproductions thereof in any form.

If you receive a subpoena or any other form of legal process seeking to compel the production of any Confidential Information, you will immediately provide Franchisee and Cousins Maine Lobster with written notice of the receipt of such subpoena or process and a copy thereof, and will cooperate with Franchisee and Cousins Maine Lobster in any action they take to oppose the production of Confidential Information or to obtain a protective order. Written notice to Cousins Maine Lobster shall be given to its President.

3. **Non-Solicitation.** While you are employed by or associated with Franchisee, and for two (2) years after your employment or relationship ends, you must not, without prior written permission of Cousins Maine Lobster, directly or indirectly solicit or attempt to solicit any customers or clients for whom you provided services while you were employed by or affiliated with Franchisee.

4. **Breach of Agreement.** You acknowledge and agree that your violation or breach of the “Covenant Not to Compete,” disclosure of “Confidential Information,” or the “Non-solicitation” provisions, as provided herein by this Agreement will cause irreparable injury to Cousins Maine Lobster for which there is no adequate remedy at law. Accordingly, you agree that in the event of any breach or violation of this Agreement, Cousins Maine Lobster and/or Franchisee will be entitled to enforce this Agreement by injunctive and any other equitable relief in any court of competent jurisdiction. Such relief will be in addition to other remedies available at law, including without limitation, recovery of damages. You agree to comply with a judgment forbidding you from violating these provisions in the event there is a finding of breach. In addition, Cousins Maine Lobster will be entitled to recover and obtain from you all costs including, without limitation, reasonable attorneys’ fees associated with any legal action arising out of your breach of any of the provisions of this Agreement.

If any phrase, clause or provision of this Agreement is declared invalid or unenforceable by a court of competent jurisdiction, such phrase, clause or provision shall be deemed severed from this Agreement, but will not affect any other provisions of this Agreement, all of which will otherwise remain in full force and effect.

You acknowledge and agree that the restrictions set forth herein are reasonable, in terms of scope, duration, geographic area, and otherwise that the protections afforded to Cousins Maine Lobster hereunder are necessary to protect its legitimate business interests.

5. **Choice of Law.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the state in which Franchisee’s business is located, without respect to its conflict of laws principles.

_____	You: _____
[Name of Franchisee]	
By: _____	By: _____
Print Name: _____	Print Name: _____
Its: _____	Its: _____
Date: _____	Date: _____

Exhibit G-4
Sample Collateral Assignment of Lease

COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned, _____ a _____ (“**Assignor**”), hereby assigns, transfers and sets over unto CML Storefront, LLC a Maine limited liability company (“**Assignee**”) all of Assignor's right, title and interest as tenant in, to and under that certain lease, a copy of which is attached hereto as Exhibit 1 (the "**Lease**"), respecting the premises commonly known as _____. This Assignment is for collateral purposes only and except as specified herein, Assignee will have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment or the Lease unless Assignee takes possession of the premises demised by the Lease pursuant to the terms of this Assignment of Lease and assumes Assignor's obligations under the Lease.

Assignor represents and warrants to Assignee that it has full power and authority to so assign the Lease and its interest in the Lease and that Assignor has not previously, and is not obligated to, assign or transfer any of its interest in the Lease or the premises demised thereby. Upon a default by Assignor under the Lease or a default or expiration under the Franchise Agreement by and between Assignor and Assignee for a CML Storefront (the "**Franchise Agreement**"), or in the event of a default by Assignor under any document or instrument securing said Franchise Agreement or under any other agreement between Assignor and Assignee or its Affiliates, Assignee will have the right and is empowered to take possession of the premises demised by the Lease, expel Assignor from the Lease and premises, and, in such event, Assignor will have no further right, title or interest in the Lease.

Assignor agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement and any renewal of or successor to it, Assignor agrees that it will elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days prior to the last day that any such option must be exercised, unless Assignee otherwise agrees in writing. Upon failure of Assignee to otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as stated in this Assignment of Lease, Assignor will and hereby does appoint Assignee as its true and lawful attorney-in-fact to exercise such extension or renewal options in the name, place and stead of Assignor for the sole purpose of effecting such extension or renewal.

Assignee: CML Storefront, LLC

Assignor: _____

By: _____

By: _____

Print Name: _____

Print Name: _____

Its: _____

Its: _____

Date: _____

Date: _____

Exhibit G-5
Sample Lease Addendum

ADDENDUM TO LEASE

This Addendum to Lease ("**Addendum**"), dated _____, 20__, is entered into by and between _____ ("**Lessor**"), and _____ ("**Lessee**"). In the event of any contradiction or inconsistency between the terms and provisions of this Addendum and the terms and provisions of the Lease to which it is attached, the terms and provisions of this Addendum will control and be interpreted in such a manner as to override any provision of the Lease which would prevent the spirit and letter of the terms and provisions of this Addendum from being given full force and effect. All defined terms not specifically defined in this Addendum will be given the same meaning as the defined terms in the Lease.

A.. The parties hereto have entered into a certain Lease Agreement ("**Lease**"), dated _____, 20__, and pertaining to the premises located at _____ ("**Premises**").

B. Lessor acknowledges that Lessee intends to operate a Cousins Maine Lobster® franchise from the leased Premises pursuant to a Franchise Agreement ("**Franchise Agreement**") with CML Storefront, LLC ("**Franchisor**") under the name "Cousins Maine Lobster®" or other name designated by Franchisor (herein referred to as "**Franchised Business**").

C. The parties now desire to amend the Lease in accordance with the terms and conditions contained herein.

NOW, THEREFORE, it is hereby mutually covenanted and agreed between Lessor and Lessee as follows:

1. Remodeling and Decor. Lessor agrees that Lessee will have the right to remodel, equip, paint and decorate the interior of the Premises and to display the proprietary marks and signs on the interior and exterior of the Premises as Lessee is reasonably required to do pursuant to the Franchise Agreement and any successor Franchise Agreement under which Lessee may operate a Franchised Business on the Premises.

2. Assignment or Subletting. Lessee must agree to attorn to any assignee of Lessor provided such assignee will agree not to disturb Lessee's possession of Premises. Lessee will have the right to assign or sublet all of its right, title and interest in the Lease, at any time during the term of the Lease, including any extensions or renewals thereof, without charge and without first obtaining Lessor's consent in accordance with the Collateral Assignment of Lease attached as Addendum 4: (a) to Franchisor or Franchisor's parent, subsidiary, or affiliate; (b) to a duly authorized franchisee of Franchisor; (c) in connection with a merger, acquisition, reorganization or consolidation; or (d) in connection with the sale of Lessee's corporate stock or assets. However, no assignment or sublease will be effective until such time as Franchisor or its designated affiliate gives Lessor written notice of its acceptance of the assignment, and nothing contained herein or in any other document will make Franchisor or its designated subsidiary or affiliate a party to the Lease, or guarantor of it, and will not create any liability or obligation of Franchisor or Franchisor's parent, subsidiary or affiliate unless and until the Lease is assigned or sublet to, and accepted in writing by Franchisor or Franchisor's parent, subsidiary or affiliate. In the event of any assignment or sublease, Lessee will at all times remain liable under the terms of the Lease. Franchisor will have the right to reassign or sublease the Lease to another franchisee without the Lessor's consent in accordance with Section 4(a) below. Lessor understands and agrees that, in connection with Lessee's assignment or subletting of the Lease to a duly authorized franchisee of Franchisor, Franchisor will be permitted to charge "additional rent" or "percentage rent" or other charges to its franchisee as part of its regular plan of franchising, and Lessor will not be entitled to any consideration or additional rent as a result of any fees paid to Franchisor by franchisee pursuant to the Lease or otherwise.

3. Default and Notice.

- a. In the event there is a default or violation by Lessee under the terms of the Lease, Lessor must give Lessee and Franchisor written notice of the default or violation within a reasonable time after Lessor receives knowledge of its occurrence. If Lessor gives Lessee a default notice, Lessor must

contemporaneously give Franchisor a copy of the notice. Franchisor will have the right, but not the obligation, to cure the default. Franchisor will notify Lessor whether it intends to cure the default and take an automatic assignment of Lessee's interest as provided in Paragraph 4(a). Franchisor will have an additional fifteen (15) days from the expiration of Lessee's cure period in which it may exercise the option, but it is not obligated to cure the default or violation.

- b. All notices to Franchisor must be sent by registered or certified mail, postage prepaid, or by a recognized overnight courier or delivery services to the following address:

CML Storefront, LLC
125 John Roberts Road, Unit #2
South Portland, ME 04106

Franchisor may change its address for receiving notices by giving Lessor written notice of the new address. Lessor agrees that it will notify both Lessee and Franchisor of any change in Lessor's mailing address to which notices should be sent.

- c. Following Franchisor's approval of the Lease, Lessee agrees not to terminate, or in any way alter or amend the same during the Initial Term of the Franchise Agreement or any extension thereof without Franchisor's prior written consent, which will be granted or denied in Franchisor's sole discretion, and any attempted termination, alteration or amendment will be null and void and have no effect as to Franchisor's interests thereunder; and a clause to the effect will be included in the Lease.

4. Termination or Expiration.

- a. Upon Lessee's default and failure to cure the default within the applicable cure period, if any, under either the Lease or the Franchise Agreement, Franchisor will, at its option, have the right, but not the obligation, to take an automatic assignment of Lessee's interest and at any time thereafter to re-assign or sublet the Lease to a new franchisee without Lessor's consent and to be fully released from any and all liability to Lessor upon the reassignment, provided the new franchisee agrees to assume Lessee's obligations and the Lease.
- b. Upon the expiration or termination of either the Lease or the Franchise Agreement, Lessor will cooperate with and assist Franchisor in securing possession of the Premises and if Franchisor does not elect to take an assignment of the Lessee's interest, Lessor will allow Franchisor to enter the Premises, without being guilty of trespass and without incurring any liability to Lessor, to remove all signs and all other items identifying the Premises as a Franchised Business and to make other modifications (such as repainting) as are reasonably necessary to protect the Cousins Maine Lobster® marks and system, and to distinguish the Premises from a Franchised Business. In the event Franchisor exercises its option to purchase assets of Lessee, Lessor will permit Franchisor to remove all the assets being purchased by Franchisor.

5. Consideration: No Liability.

- a. Lessor hereby acknowledges that the provisions of this Addendum to Lease are required pursuant to the Franchise Agreement under which Lessee plans to operate its Franchised Business and Lessee would not lease the Premises without this Addendum. Lessor also hereby consents to the Collateral Assignment of Lease from Lessee to Franchisor as evidenced by Addendum 4.
- b. Lessor further acknowledges that Lessee is not an agent or employee of Franchisor and Lessee has no authority or power to act for, or to create any liability on behalf of, or to in any way bind Franchisor or any affiliate of Franchisor, and that Lessor has entered into this Addendum to Lease with full understanding that it creates no duties, obligations or liabilities of or against Franchisor or any affiliate of Franchisor.

6. Sales Reports and Inspection. If requested by Franchisor, Lessor will provide Franchisor with whatever information Lessor has regarding Lessee's sales from its Franchised Business. Lessor acknowledges that the Franchise Agreement grants Franchisor the right of inspection of Lessee's Premises, and Lessor agrees to cooperate with Franchisor's efforts to enforce Franchisor's inspection rights.
7. No Radius Clause. The radius restriction set forth in the Lease, if any, is hereby deleted.
8. Hazardous Materials. Lessor represents and warrants that the Premises are free of all asbestos, asbestos containing materials and other hazardous or toxic materials (collectively, "**Hazardous Materials**"). Notwithstanding any provision of this Lease to the contrary, Lessee will have no obligation to make any repairs, alterations or improvements to the Premises or incur any costs or expenses whatsoever as a result of Hazardous Materials in or about the center in which the Premises are located (the "**Center**"), the Building or the Premises, other than those Hazardous Materials brought onto such areas by Lessee. Lessor will be solely responsible for any changes to the Premises relating to Hazardous Materials, unless those Hazardous Materials were brought onto the Premises by Lessee. Lessor will indemnify and hold Lessee harmless from and against all liabilities, costs, damages and expenses which Lessee may incur (including reasonable attorney fees) as the result of a breach of Lessor's representation and warranty set forth in this paragraph or the presence of Hazardous Materials in or about the Center, the Building or the Premises, unless those Hazardous Materials were brought onto such areas by Lessee.
9. Insurance and Waiver of Subrogation. Lessee may maintain the required liability insurance in the form of a blanket policy covering other locations of Lessee in addition to the Premises. Lessee may self insure plate glass, so long as Lessee agrees not to hold Lessor liable for any losses resulting to plate glass. Whenever (i) any loss, cost, damage or expense resulting from fire, explosion or any other casualty is incurred to the Premises or contents thereof by either party to this Lease, and (ii) such party is covered in whole or in part by insurance with respect to such loss, cost, damage or expense, then the party so insured hereby releases the other party from any liability it may have on account of such loss, cost, damage or expense to the extent of any amount recovered by such insurance.
10. Lessor Warranties. Lessor represents, covenants and warrants (i) that Lessor has lawful title to the Center and has full right, power and authority to enter into this Lease; (ii) that the Center is in compliance with the Americans with Disabilities Act ("ADA"); (iii) that the permitted "use" of the Premises does not currently violate the terms of any of Lessor's insurance policies; (iv) that Lessor currently maintains all risk of physical loss coverage for the full replacement cost of the Center and will maintain throughout the term of this Lease general liability insurance coverage for the Center consistent with that being maintained from time to time by reasonably prudent owners of properties similar to the Center in the same area; and (v) that so long as Lessee pays all monetary obligations due under this Lease and performs all other covenants contained herein, Lessee will peacefully and quietly have, hold, occupy and enjoy the Premises during the term of this Lease and its use and occupancy thereof must not be disturbed. Lessor covenants and agrees that Lessor will take no action that will interfere with Lessee's intended usage of the Premises. Lessor must indemnify and hold harmless Lessee and its officers, partners, agents and employees from and against any loss, cost, liability, damage or expense arising out of (x) Lessor's operation of the Center, (y) Lessor's breach in the performance of any of its obligations under this Lease, or (z) any violation of law by Lessor or any other act or omission of Lessor or its contractors, agents or employees. The foregoing indemnification will survive expiration or termination of this Lease.
11. Mitigation. Lessor must use reasonable efforts to mitigate its damages in the event of a Lessee default.
12. Removal of Trade Dress/Personal Property. Lessor must permit Lessee fifteen (15) days from the termination or expiration of the Lease to remove Lessee's property. Lessor will permit Lessee to remove its Trade Dress within fifteen (15) days after the termination or expiration of the Lease or within fifteen (15) days after Lessee has received proper notice from Lessor of the termination or expiration pursuant to Section 4, whichever later occurs.
13. Alterations. Lessor's consent will not be required for non-structural or non-mechanical alterations, additions or changes to the Premises.

14. Amendments. No amendment or variation of the terms of the Lease or this Addendum to the Lease will be valid unless made in writing and signed by the parties hereto.

15. Reaffirmation of Lease. Except as amended or modified herein, all of the terms, conditions and covenants of the Lease will remain in full force and effect and are incorporated herein by reference and made a part of this Agreement as though copies herein in full.

16. Beneficiary. Lessor and Lessee expressly agree that Franchisor is a third party beneficiary of this Addendum.

IN WITNESS WHEREOF, witness the signatures of the parties hereto as of the day, month and year first written above.

LESSOR:_____ **LESSEE:**_____

By:_____ By:_____

Its:_____ Its:_____

Date:_____ Date:_____

Exhibit G-6
SAMPLE RENEWAL ADDENDUM TO FRANCHISE AGREEMENT

This addendum (“**Addendum**”) to the Agreement is between CML Storefront LLC (“**we**” “**us**” or “**our**”) and _____ and its Owners, _____ and _____ (collectively, “**you**” or “**your**”), and is made and entered into on the date we sign it below (the “**Effective Date**”). This Addendum adds, deletes, amends, changes and modifies certain terms and conditions of the Agreement between us and you.

RECITALS

- A. We and you entered into a franchise agreement dated _____ for the operation of a Cousins Maine Lobster® Storefront (the “**Renewing Storefront**”) in the _____ counties of _____ (the “**Expiring Agreement**”).
- B. Simultaneously with signing this Addendum, you and we are signing a new, successor franchise agreement to the Expiring Agreement (the “**New Agreement**”).
- C. Because you are renewing your relationship with us through the New Agreement, certain provisions in the New Agreement will not apply to you.
- D. Further, as a condition of entering into the New Agreement with you, you agreed that we can require you to make such changes as may be necessary to bring your Storefront up to our current standards, including, without limitation, installation of new equipment and software and the remodeling and/or renovation of the Storefront to reflect the then-current standards and image of the System.
- E. The Renewing Storefront is not compliant with our current standards for new or renewing Cousins Maine Lobster franchises. To become compliant with these standards, you will need to make certain updates to the Renewing Storefront to allow you to continue operating.
- F. As an additional inducement for you and consideration for the New Agreement, we and you wish to modify the terms of the Agreement by agreeing to the following terms, which will modify the New Agreement as provided herein.

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

AGREEMENT

1. **Definitions.** All capitalized terms not otherwise defined in this Addendum refer to the definitions set forth in the Agreement.
2. **Initial Franchise Fee.** Section 6.1 of the New Agreement is hereby amended to reflect that the Initial Franchise Fee is zero dollars (\$0).
3. **Commencement of Business.** Subject to your compliance with Section 4 of this Addendum, we approve the Renewing Storefront as meeting our requirements for your Storefront, and we approve their continued and uninterrupted operation within your Territory under the New Agreement. Sections 3.1, 3.3, and 3.4 of the New Agreement are hereby amended accordingly.
4. **Initial Training Program.** Because you are a renewing franchisee, we will not require you or your previously-trained Designated Manager to attend the Initial Training Program in regards to your existing Storefronts. We [may] [will] require you and your Designated Manager to attend re-training with us within _____

days of signing the New Agreement. You agree to pay us \$300 per attendee, per day to attend our re-training. [OR] You agree to pay us \$500 per day plus our reasonable travel expenses for us to train you at your Storefront.

5. **Updating Requirements.** As soon as possible, and no later than _____, you will make the following changes to your Renewing Storefront:

- a. _____
- b. _____
- c. _____

You agree that time is of the essence for your obligations under this Section 5. For each of the above items, you agree to send to us photographic evidence showing your compliance with these matters on or before the deadline.

6. **Inspection and Cleaning.** On or before _____, you will:

- a. Engage a third-party foodservice equipment inspection company of your choice to conduct an inspection of your Renewing Storefront for items we designate. Prior to such inspection, you will coordinate with our representative for our then-current requirements, which will include but are not limited to all kitchen equipment. After the inspection, you must: (i) submit to us receipts from the inspection company, the inspection report, and any related notes or communications from the company; and (ii) complete all repairs suggested in the inspection within twenty (20) days after the inspection date.
- b. Engage a third-party foodservice cleaning company to deep-clean the Storefront, and submit to us receipts, photographs, and a video indicating that the cleaning was performed and showing the Storefront both before and after the cleaning.

7. **Renewal Fee.** We agree to charge you, and you agree to pay, a renewal fee of _____ as required by the Expiring Agreement. You will pay us this amount via ACH on or before the Effective Date.

8. **General Release.** You (including each and every one of your Owners), on your, her and his own behalf and on behalf of all of your owners, heirs or personal representatives, agents, affiliates, legal entities, and attorneys (including but not limited to _____) (collectively your “**Constituents**”), hereby release us, our parent companies and subsidiaries, all of our and its respective affiliates (including but not limited to Cousins Maine Lobster, LLC, Cousins Seafood Distribution, LLC, and CML Franchise, LLC), predecessors and successors, and all of our and its respective present or former officers, directors, shareholders, managers, members, partners, franchisees, master franchisees, licensors, representatives, employees, agents, attorneys, employee benefit programs, and the trustees, administrators, fiduciaries and insurers of such programs, and the respective affiliates of each of the foregoing (collectively the “**Released Parties**”), from any and all claims for relief of any kind, whether known or unknown, which in any way arise out of or relate to the negotiation, sale, purchase, operation, or relationship created by the Agreements and your franchise arrangement with us or any of Released Parties, any agreements between us or any of Released Parties and any of the Constituents, or the parties’ relationship with one another from the beginning of time to the date of this Release, including, but not limited to, any and all claims of discrimination of any kind, and any contractual, equitable, tort or other claims of any kind or nature. This includes all claims, including but not limited to breach of contract, quasi-contract, implied contract, quantum meruit, unjust enrichment, compensation, deferred compensation, equity interest, any tort claims, any and all claims under any applicable federal laws or under any applicable state or local laws or ordinances or any other legal restrictions on our rights. However, this release does not waive your rights to enforce the terms of this Amendment. This release also does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

- a. You, on your own behalf and on behalf of the Constituents, acknowledge that you are familiar with Section 1542 of the California Civil Code, which reads as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

b. With respect to those claims being released pursuant to this Section 7, you on your own behalf and on behalf of the Constituents, acknowledge that you are releasing unknown claims and waives all rights you have or may have under California Civil Code Section 1542 or any other statute or common law principle of similar effect. For purposes of this Section 10, each of the Constituents will be considered to be a creditor of each of the Released Parties.

c. You, on your behalf and on behalf of the Constituents, acknowledge that this general release extends to claims which you do not know or suspect to exist in your favor at the time of executing this Amendment, which if known by you may have materially affected your decision to enter into this Amendment. You understand that the facts in respect of which this Amendment is given may hereafter turn out to be other than or different from the facts in that connection known or believed to be true. You therefore expressly assume the risk of the facts turning out to be so different and agree that this Amendment shall be in all respects effective and not subject to termination or termination by any such difference in facts.

You and your Constituents are not giving this general release predicated on any factual representations by us, except for the representations expressly contained in this Amendment.

9. Conflict with Agreement. In the event of a conflict between terms stated in the Agreement (including all schedules, attachments, or addenda to the Agreement) and those in this Addendum, the terms stated in this Addendum will control.

10. Addendum Binding. This Addendum will be binding upon and inure to the benefit of each party and to each party's respective successors and assigns.

11. No Further Changes. Except as specifically provided in this Addendum, all of the terms, conditions and provisions of the Agreement will remain in full force and effect as originally written and signed (and subsequently amended).

12. Counterparts. This Addendum may be executed in counterparts, all of which shall be given the same force and effect as the original. This Addendum will be effective when the signatures of all parties have been affixed to counterparts or copies.

IN WITNESS WHEREOF, you and we have executed this Addendum as of the dates appearing below.

CML STOREFRONT LLC

FRANCHISEE:

By: _____

By: _____

Print Name: _____

Print Name: _____

Its: _____

Its: _____

Date: _____

Date: _____

Exhibit G-7
SAMPLE FRANCHISE RELATIONSHIP ACKNOWLEDGEMENT

Welcome to the Cousins Maine Lobster® team. Because you are becoming a part of the Cousins Maine Lobster® franchise system, it is important that you understand and acknowledge who your employer is, and who is not.

You have been hired and are employed by _____ (Legal Name of franchisee) (“franchisee”, “Employer”, “we” or “us”), which is an independent business and franchise owner within the Cousins Maine Lobster franchise system (the “System”). As part of the Cousins Maine Lobster® franchise System, we are licensed and required to operate under the same name, same look, and same way as the other Cousins Maine Lobster® food trucks or restaurants, however, _____ (Legal Name of franchisee) is **not** part of the same company as our franchisor, Cousins Maine Lobster (CML Storefront, LLC), or its Affiliates.

Cousins Maine Lobster and its Affiliates are separate companies which own rights to the Cousins Maine Lobster® name and have devised rules, systems of operation, and policies and procedures that all of its franchisees, including _____ (Legal Name of franchisee) must follow. This enables each independently owned Cousins Maine Lobster® Food Truck or Storefront to look and operate the same at every location.

Each Cousins Maine Lobster® franchise owner, including _____ (Legal Name of franchisee) is solely responsible for their own business operations, employees, and all employee related issues. As such, it is important that you understand and acknowledge that _____ (Legal Name of franchisee) is your **only** employer and we are solely responsible for giving you your paycheck, establishing your hours, and any and all decisions relating to your employment relationship.

You hereby accept and acknowledge that our franchisor, Cousins Maine Lobster (CML Storefront, LLC), and its Affiliates are **not** your employer, and if a Cousins Maine Lobster representative ever gives you direction, training, or advice, it is intended **only** to ensure consistency of the Cousins Maine Lobster® brand and to maintain a uniformed customer experience throughout all Cousins Maine Lobster® locations within the franchise System.

If you have any questions about your employment relationship or about this Franchise Relationship Acknowledgement, please direct them to _____ (Legal Name of franchisee), as your Employer.

I have read this Franchise Relationship Acknowledgement and I understand it. I have had the opportunity to ask any questions that I have about this Franchise Relationship Acknowledgement, and those questions have been answered fully to my satisfaction.

Employee Signature

Franchisee (Employer) Authorized Signature

Employee Name

Franchisee (Employer) Name

Date

Date

Exhibit G-8
Sample Electronic Funds Transfer Authorization

ELECTRONIC FUNDS TRANSFER AUTHORIZATION

BY AND BETWEEN [BUSINESS NAME]
AND _____ (“DEPOSITOR”)
EFT AUTHORIZATION AGREEMENT (DIRECT DEBITS)

The undersigned depositor (“Depositor”) hereby authorizes [Business Name] (“Company”) to initiate debit entries and/or credit correction entries to the undersigned’s checking and/or savings account(s) indicated below and the depository designated below (“Depository”) to debit such account pursuant to Company’s instructions:

Depository Branch

Address City, State, Zip Code

Bank Transit/ABA Number Account Number

This authority is to remain in full force and effect until Depository has received joint written notification from Company and Depositor of the Depositor’s termination of such authority in such time and in such manner as to afford Depository a reasonable opportunity on which to act. If an erroneous debit entry is initiated to Depositor’s account, Depositor will have the right to have the amount of such entry credited to such account by Depository, if (a) within fifteen (15) calendar days following the date on which Depository sent to Depositor a statement of account or a written notice pertaining to such entry or (b) forty-five (45) days after posting, whichever occurs first, Depositor will have sent to Depository a written notice identifying such entry, stating that such entry was in error and requesting Depository to credit the amount thereof to such account. These rights are in addition to any rights Depositor may have under federal and state banking laws.

DEPOSITOR:

By: _____

Print Name: _____

Its: _____

Date: _____

Exhibit G-9

Confidentiality and Non-Disclosure Agreement



Cousins Maine Lobster

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

This CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT (the "**Agreement**") dated as of _____, ("**Effective Date**"), is between **CML FRANCHISE LLC** and **CML Storefront, LLC**, each a Maine limited liability company with a mailing address of 125 John Roberts Road, Unit #2, South Portland, Maine 04106, as well as any of their affiliates and subsidiaries, including but not limited to Cousins Maine Lobster, LLC, Cousins Seafood Distribution, LLC (collectively, the "**Disclosing Party**"), and the undersigned (collectively, the "**Recipient**"). The Disclosing Party and Recipient collectively referred to as the "**Parties**".

1. In connection with research and discussions regarding the potential awarding of a franchise for the Recipient (the "**Purpose**"), Disclosing Party may disclose to Recipient, or Recipient may otherwise receive access to, Confidential Information (as defined below). Recipient shall use the Confidential Information solely for the Purpose and, subject to Section 3 of this Agreement, shall not disclose or permit access to Confidential Information other than to its officers, directors, attorneys, accountants and financial advisors (collectively, "**Representatives**") who: (a) need to know such Confidential Information for the Purpose; (b) know of the existence and terms of this Agreement; and (c) are bound by written confidentiality agreements/confidentiality obligations no less protective of the Confidential Information than the terms contained herein. Recipient shall safeguard the Confidential Information from unauthorized use, access, or disclosure using at least the degree of care it uses to protect its most sensitive information and no less than a reasonable degree of care. Recipient shall promptly notify Disclosing Party of any unauthorized use or disclosure of Confidential Information and use its best efforts to prevent further use or disclosure. Recipient will be responsible for any breach of this Agreement caused by its Representatives.
2. "**Confidential Information**" means all proprietary or confidential information of Disclosing Party, including but not limited to all information, documents, agreements, statements, compilations, reports, analyses, summaries and other items, whether or not prepared or generated in connection with the Purpose or otherwise, relating in any way to Disclosing Party's business, operations, plans, projections, manufacturing, processing, packaging, shipping, sourcing, selling, franchising, financial condition, ownership, forecasts, technology and/or intellectual property (including, but not limited to, any franchise disclosure documents and any trade secrets, technical data, processes, product information, know-how, recipes, product volume, marketing data, methods and plans for carrying out business, customer and supplier information, margins and sources of supply, and franchising), whether furnished before or after the date of this Agreement, and whether tangible or intangible, and in whatever form or medium provided, and whether or not marked, labeled or identified as "confidential", and all notes, analyses, summaries, and other materials prepared by Recipient or any of its Representatives that contain, are based on, or otherwise reflect, to any degree, any of the foregoing ("**Notes**"); provided, however, that Confidential Information does not include any information that: (a) is or becomes generally available to the public other than as a result of Recipient's or its Representatives' act or omission; (b) is obtained by Recipient or its Representatives on a non-confidential basis from a third party that was not legally or contractually restricted from disclosing such information; (c) was in Recipient's or its Representatives' possession, as established by documentary evidence, before Disclosing Party's disclosure hereunder; or (d) was or is

independently developed by Recipient or its Representatives, as established by documentary evidence, without using any Confidential Information. Confidential Information also includes: (x) the facts that the parties are in discussions regarding the Purpose and that Confidential Information has been disclosed; and (y) any terms, conditions or arrangements discussed.

3. If Recipient or any of its Representatives is required by a valid legal order to disclose any Confidential Information, Recipient shall, before such disclosure, notify Disclosing Party of such requirements so that Disclosing Party may seek a protective order or other remedy, and Recipient shall reasonably assist Disclosing Party therewith. If Recipient remains legally compelled to make such disclosure, it shall: (a) only disclose that portion of the Confidential Information that, in the written opinion of its legal counsel, Recipient is required to disclose; and (b) use reasonable efforts to ensure that such Confidential Information is afforded confidential treatment.
4. On the expiration of this Agreement or otherwise at Disclosing Party's request, Recipient shall within five (5) days, at Disclosing Party's option, either return to Disclosing Party or destroy all Confidential Information in its and its Representatives' possession other than Notes, and destroy all Notes, and certify in writing to Disclosing Party the destruction of such Confidential Information.
5. Disclosing Party retains its entire right, title, and interest in and to all Confidential Information, and no disclosure of Confidential Information hereunder will be construed as a license, assignment, or other transfer of any such right, title, and interest to Recipient or any other person.
6. This Agreement may not be modified or terminated except by a written agreement signed by each Party; provided that with respect to Confidential Information that is a trade secret under the laws of any jurisdiction, such rights and obligations will survive any such termination in writing until, if ever, such Confidential Information loses its trade secret protection other than due to an act or omission of Recipient or its Representatives.
7. Recipient acknowledges and agrees that the Confidential Information of Disclosing Party has been developed by Disclosing Party with substantial effort and cost and, therefore, has any substantial value to Disclosing Party; and that any breach of this Agreement will cause irreparable injury to Disclosing Party for which money damages would be an inadequate remedy and that, in addition to remedies at law, Disclosing Party is entitled to equitable relief as a remedy for any such breach. The Recipient agrees to waive, and to use its best efforts to cause its Representatives to waive, any requirement for the securing or posting of any bond in connection with such remedy. Nothing in this Section 7 will be deemed to limit remedies at law or in equity for any breach of any of the provisions of this Agreement, which may be pursued by or are available to by Disclosing Party.
8. This Agreement and all matters relating hereto are governed by, and construed in accordance with, the laws of the State of Maine, without regard to the conflict of laws provisions of such State. Any legal suit, action, or proceeding relating to this Agreement must be instituted in the federal or state courts located in Cumberland County, Maine. Each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.
9. Each notice and other communication hereunder shall be in writing and shall be delivered or mailed by registered mail, return receipt requested, and shall be deemed to have been given on the date of its delivery, if delivered, or on the fifth (5th) full business day following the date of the mailing, if mailed to the relevant party at its address set out in the preamble.
10. This Agreement may only be amended, modified, waived, or supplemented by an agreement in writing signed by both parties.

11. Except as provided in this Agreement, no legal or equitable duties, responsibilities or rights are created hereby, and nothing in this Agreement nor conduct of the Parties (other than the execution of a definitive agreement between the Parties containing substantive business terms and conditions) shall constitute a requirement that the Parties enter into a binding offer or agreement related to the Purpose. Each party acknowledges that a party reserves the right, in its sole discretion, to terminate discussions and negotiations concerning the Purpose with the other party at any time, for any reason whatsoever.
12. The provisions of this Agreement are severable, and if any one or more provisions may be determined to be illegal or otherwise unenforceable in whole or in part, the remaining provisions and any partially unenforceable provision shall be binding and enforceable to the extent enforceable in any jurisdiction.
13. This Agreement may be executed in multiple identical counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same document.
14. This Agreement is personal to the Parties hereto and shall not be assigned by operation of law or otherwise without the prior written consent of both Parties. This Agreement shall be binding on, and inure to the benefit of, the Parties hereto and their permitted successors and assigns.
15. If there are more than one entity or individual Recipient, the obligations hereunder shall be joint and several.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

RECIPIENT(S):

DISCLOSING PARTY:

CML FRANCHISE LLC

Print Name:_____

Date:

By:_____

Name:

Its:

Print Name:

Date:

Print Name:

Date:

Print Name:

Date:

Print Name:

Date:

CML Storefront, LLC

EXHIBIT I

List of Franchisees

EXHIBIT I-1
List of Current Franchisees

Cousins Maine Lobster Storefront Franchisees as of December 31, 2025

State	City	Name	Address	Telephone
CA	San Francisco	Worldwide Foods LLC	6841 Village Parkway Dublin, CA 94568	415-592-5933
NJ	Asbury Park	CML NJ, LLC	800 Ocean Ave N, Space #109-110, Asbury Park, NJ 07712	732-455-2939

EXHIBIT I-2
List of Franchisees – Sold But Not Yet Open As Of December 31, 2025

State	City	Name	Address	Telephone
Signed but not Opened				
IL	Chicago	Smart Foods Chicago 1 LLC	3175 Steinway Street, Astoria, NY-11103	917 513 3582
IL	Chicago	Smart Foods Chicago 2 LLC	3175 Steinway Street, Astoria, NY-11103	917 513 3582
PA	Philadelphia	MM Brodie, LLC	8 Veronica Ave Suite B Somerset NJ 08873	908 616 8876

EXHIBIT I-3
List of Franchisees That Left the System

Below is a list of franchisees that left the system during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date.

State	Territory	Name	Address	Phone
FL	Neptune Beach	Three Seas Neptune, LLC	125 W Tremont Ave #516 Charlotte, NC 28203	732-882-5240
GA	Atlanta	Three Seas Atlanta, LLC	125 W Tremont Ave #516 Charlotte, NC 28203	732-882-5240
PA*	Philadelphia	MM Brodie, LLC	8 Veronica Ave Suite B Somerset NJ 08873	908 616 8876

* Franchise Agreement was mutually terminated in 2026.

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

CML Storefront, LLC

EXHIBIT J

State Effective Dates and Franchise Disclosure Document Receipts

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
California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	March 5, 2026
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If CML Storefront, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. Under Iowa or New York law, if applicable, CML Storefront, LLC must provide this disclosure document to you at your 1st personal meeting, or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires CML Storefront, LLC to give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If CML Storefront, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

The name, principal business address and telephone number of each franchise seller offering the franchise: Jim Tselikis, Sabin Lomac, Barbara Corcoran, Shaun Higgins, Jameson Lyons, Allison Pillar, Mike Carmody, Esther Judah, Lindsay Herberger, and Nicholas Loukes at CML Storefront, LLC, 125 John Roberts Road, Unit #2, South Portland, ME 04106, phone (855) 855-4265. We have inserted the name and address of any other franchise seller below (we attach additional pages if necessary):

See Exhibit A for CML Storefront, LLC's registered agents authorized to receive service of process.

I have received a disclosure document dated April 23, 2026 that included the following Exhibits:

- | | |
|---|--|
| A. State Administrators / Agents for Service of Process | E. State-Specific Addendum |
| B. Franchise Agreement | F. Compliance Questionnaire |
| C. Financial Statements | G. Sample Contracts for Use with Cousins Maine Lobster® business |
| D. Operations Manual Table of Contents | H. List of Franchisees |
| | I. State Effective Dates; Receipts |

Date

Signature

Printed Name

Date

Signature

Printed Name

Please sign and date both copies of the receipt. Please retain one copy for your records, and return the other copy to CML Storefront, LLC, 125 John Roberts Road, Unit #2, South Portland, ME 04106.

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This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

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