™

FRANCHISE DISCLOSURE DOCUMENT

CRUMBL FRANCHISING, LLC
A Utah limited liability company

FRANCHISE DISCLOSURE DOCUMENT

CRUMBL FRANCHISING, LLC
a Utah limited liability company

160 E University Pkwy, Ste J
Orem, Utah 84058
(801) 369-7112
franchising@crumbl.com
www.crumbl.com

As a franchisee, you will operate a cookie baking and delivery business.

The total investment necessary to begin operation of a Crumbl™ franchise is between $129,000 - $252,000. This includes the $25,150 that must be paid to the franchisor or affiliate.

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 regarding the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Jason McGowan at franchising@crumbl.com and (801) 369-7112.

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

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

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

Issuance Date: April 16, 2019

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in **Exhibit "F"** for information about the franchisor, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION/ARBITRATION/LITIGATION ONLY IN UTAH. OUT-OF-STATE MEDIATION/ARBITRATION/LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE, ARBITRATE, OR LITIGATE WITH US IN UTAH THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATES THAT UTAH LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: See the next page for state effective dates

STATE EFFECTIVE DATES

The following states 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 Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

California	_____	New York	_____
Hawaii	_____	North Dakota	_____
Illinois	_____	Rhode Island	_____
Indiana	_____	South Dakota	_____
Maryland	_____	Virginia	_____
Michigan	_____	Washington	_____
Minnesota	_____	Wisconsin	_____
Connecticut	_____	Maine	_____
Florida	April 17, 2019	Nebraska	_____
Georgia	_____	North Carolina	_____
Kentucky	_____	South Carolina	_____
Texas	April 5, 2019	Utah	February 26, 2019

TABLE OF CONTENTS

ITEM NO.		PAGE NO.
1.	The Franchisor and any Parents, Predecessors, and Affiliates	7
2.	Business Experience	9
3.	Litigation	10
4.	Bankruptcy	10
5.	Initial Fees	10
6.	Other Fees	11
7.	Estimated Initial Investment	16
8.	Restrictions on Sources of Products and Services	18
9.	Franchisee's Obligations	21
10.	Financing	23
11.	Franchisor's Assistance, Advertising, Computer Systems, and Training	23
12.	Territory	30
13.	Trademarks	31
14.	Patents, Copyrights and Proprietary Information	33
15.	Obligation to Participate in the Actual Operation of the Franchise Business	34
16.	Restrictions on What the Franchisee May Sell	35
17.	Renewal, Termination, Transfer and Dispute Resolution	35
18.	Public Figures	39
19.	Financial Performance Representations	39
20.	Outlets and Franchisee Information	41

ITEM NO. PAGE NO.

21. Financial Statements.....44

22. Contracts.....44

23. Receipts 44

Addenda of State Regulations

California Schedule A-1
Hawaii Schedule A-2
Illinois Schedule A-3
Indiana Schedule A-4
Maryland Schedule A-5
Michigan Schedule A-6
Minnesota Schedule A-7
New York Schedule A-8
North Dakota Schedule A-9
Rhode Island Schedule A-10
Virginia Schedule A-11
Washington Schedule A-12
Wisconsin Schedule A-13

EXHIBITS

A. Franchise Agreement and its Exhibits
B. Statement of Prospective Franchisee
C. Financial Statements
D. Schedule of Franchisees
E. List of Agents for Service of Process
F. List of State Agencies Responsible for Franchise Disclosure and Registration Laws
G. Table of Contents for Operations Manual
H. Release Agreement
I. Signing Checklist

RECEIPTS

FRANCHISE DISCLOSURE DOCUMENT

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

The Franchisor

The name of the franchisor is Crumbl Franchising, LLC. In this disclosure document Crumbl Franchising, LLC is referred to as "we" or "us" or "our" or "Crumbl"; "you" or "yours" means the person or persons, individually and collectively, who buys the franchise from us and includes the owners of a franchise that is a corporation, partnership or other entity. If you are a corporation, partnership or other entity, your owners must sign an agreement that all provisions of the franchise agreement will also apply to your owners, and they must personally guarantee and be personally bound by your obligations under the franchise agreement.

Our limited liability company was organized on February 9, 2018 in the State of Utah under the name Crumbl Franchising, LLC. Our principal place of business is 160 E University Pkwy, Ste J, Orem, Utah 84058.

Our agents for service of process in various states are disclosed in Exhibit "E."

Parent

Our parent, Crumbl, LLC, a Utah limited liability company, was organized on August 14, 2017 in the State of Utah. Its principal place of business is 160 E University Pkwy, Ste J, Orem, Utah 84058.

Franchisor Business Activities

We do not have any other business activities other than franchising the Crumbl™ brand.

We do not do business under any name other than Crumbl Franchising, LLC or Crumbl™. We do not operate a business of the type offered to you in this disclosure document. Our parent business is similar to the one you will operate.

As of the date of this disclosure document, we have not offered for sale or sold franchises in any other line of business. In addition, we did not begin offering or selling franchises in this business until February 2018.

Parent, Affiliate, and/or Predecessor Business Activities Involving Crumbl™

Our parent Crumbl, LLC, has operated Crumbl™ businesses similar to the one you will operate beginning in August 2017. Our parent currently operates one location (opened in January 2018), which provides a cookie baking and delivery service similar to the business being franchised.

We have no other parents, predecessors or affiliates to be disclosed in this item. No parent, affiliate, or predecessor currently offers or has previously offered franchises in this or any other line of business.

Franchise Offered

We license and train others to operate Crumbl™ businesses. As a Crumbl™ business, you will operate a cookie baking and delivery business that provides fresh, warm, and delicious cookies to the public. The grant of a franchise authorizes you to engage in our complete system under the name Crumbl™ and other proprietary marks. Our system includes, among other things, confidential manuals, teaching methods, standards, equipment, uniforms, merchandising, marketing, décor and colors, recipes, proprietary ingredients, menus, the sale of products and services, and other confidential business information, procedures, specifications and services as we may develop. As a Crumbl™ franchisee, you will have the opportunity to use the Crumbl™ system only within a specific territory.

You will be required to purchase specific food products, materials, supplies, ingredients, and equipment and to strictly follow our standards, methods, policies and procedures in the operation of your franchise business, which are more particularly described in our franchise agreement attached as Exhibit "A" to this disclosure document.

General Description of Market and Competition

The general market for a retail cookie, baking, and delivery business is well-developed, and you will be required to compete for potential customers in your territory. No studies or surveys have been done to determine a need for these services or products within your territory. You will typically compete with other established cookie baking and cookie distribution businesses. There are many of these competitors from large national chains to small independent operators. This business may be operated year-round. You may also encounter competition from other Crumbl™ franchises operated by us or other franchisees outside your territory under limited circumstances.

Laws and Regulations

You are required to follow all laws and regulations that apply to business generally. In addition, your business is subject to federal, state, and local health and consumer protection laws and other regulations and guidelines governing the food service industry. You will be required to make sure your employees are properly licensed. The Food and Drug administration, the United States Department of Agriculture and food industry organizations, including the National Restaurants Association, have established rules affecting the bakery industry. You may be required to obtain a food handler's permit.

You must investigate local zoning rules because they may limit where you can locate your franchise business and may affect the design features including the building façade and signs. You should be aware of federal, state, and local environmental laws about the disposal of waste materials and packaging. You may be required to obtain additional insurance coverage for delivery services, which may increase your premium payments. You may be required by local law to participate in a recycling program, which may require that you register and make ongoing fee payments.

At your cost and expense, you must investigate and ensure that you comply with all payment card industry ("PCI") and data security standard ("DSS") standards, regulations, and requirements; however, we reserve the right to approve of the vendor you use for compliance. You must meet the requirements of, and comply with enhancements and changes to, the PCI and DSS and maintain PCI compliance with the current version of the PCI and DSS. We reserve the right to require an audit (and to designate the auditor) to verify compliance. You are responsible to use all required tools, systems, and vendors to complete ongoing PCI requirements including quarterly external security scans and

annual self-assessment questionnaires. You are solely responsible for all costs relating to PCI compliance and data security issues, such as security threats, breaches, and malware. It is your responsibility to alert us, not later than 24-hours following a suspected or confirmed data security breach, so that appropriate action can be taken to protect customer data and notify relevant parties. You are not permitted to collect, store, transfer, etc. any unnecessary customer information [franchise agreement paragraph 6.1.12].

The details of state, county and local laws and regulations vary from place to place. You must research these matters. Please be aware that the changes in these laws may increase the cost to operate your business. You are solely responsible to determine what local or state regulations, permits and licenses you will need to comply with and/or obtain to conduct the franchise business in a particular state, city or town.

ITEM 2
BUSINESS EXPERIENCE

Jason McGowan, Founder/Manager

Jason McGowan is a Founder of Crumbl Franchising, LLC. Jason is also a manager of the company. Jason has held this position since the inception of the company in 2018. Additionally, Jason is a member and manager of Crumbl, LLC, which operated Crumbl™ company-owned location in Logan, Utah from August 2017 to the August 2018 and has operated a company-owned location in Orem Utah since January 2018. From August 2016 to the present, Jason has been a member and manager of Embr, LLC, which is custom-ring and retail-sales business in Provo, Utah. From May 2015 to September 2017, Jason was a director of product for Ancestry.com Inc, which is a software company in Lehi, Utah. From May 2012 to December 2014, Jason was a chief product officer of I.TV, LLC, which is software company in Provo, Utah that developed software for clients such as Nintendo and Direct TV.

Sawyer Hemsley, Founder/Manager

Sawyer Hemsley is a Founder of Crumbl Franchising, LLC. Sawyer is also a manager of the company. Sawyer has held this position since the inception of the company in 2018. Additionally, Sawyer is a member and manager of Crumbl, LLC, which operated Crumbl™ company-owned location in Logan, Utah from August 2017 to the August 2018 and has operated a company-owned location in Orem Utah since January 2018. From June 2017 to January 2018, Sawyer was a marketing assistant of On Advertising Inc, which is an Arizona advertising agency with a location in Preston, Idaho. From December 2016 to June 2017, Sawyer was a marketing director of Campus Recreation at Utah State University in Logan, Utah. From 2015 to 2016, Sawyer served as Vice President of the Student Association of Student Events at Utah State University in Logan, Utah. From 2013 until present, Sawyer has studied marketing as a student at Utah State University in Logan, Utah. From 2012 to 2013, Sawyer was an office assistant at the John M. Huntsman School of Business in Logan, Utah.

Bryce Redd

Bryce Redd is the Chief Technology Officer of Crumbl Franchising, LLC. Bryce was hired to this position in March of 2018. From September of 2014 to February of 2018, Bryce was a Senior Technology Lead at Facebook working on Instagram, Facebook, and Portal. From 2011 to 2014 Bryce

was a Software Engineer at i.TV, which was a software company in Provo, Utah. Bryce also owns and operates a Crumbl franchise similar to the one you will operate and has done so since 2018.

Kristi Peterson

Kristi Peterson is the Director of Product Quality of Crumbl Franchising, LLC. Kristi was hired to this position in January of 2019. From May 2013 until January 2017, Kristi was Assistant to the Audit Department of Aviacode in Salt Lake City, Utah. From January 2012 until June 2013, Kristi was a Tutor in LDS Business College in Salt Lake City, Utah. From July 2011 until May 2012, Kristi was a Catering Coordinator at Café Zupas in Salt Lake City, Utah.

Courtney Dursteler

Courtney Dursteler is the Vice President of Operations of Crumbl Franchising, LLC and has held this position since April 2019. From June 2003 until March 2019, Courtney worked as HR Director and Risk Manager for Franklin County Medical Center in Preston, Idaho.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this item.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this item.

ITEM 5
INITIAL FEES

On the signing of the franchise agreement, all franchisees pay an initial franchise fee of $25,000.

During the first five years of your franchise agreement, you may purchase additional franchises at a discounted rate of $20,000 for the second franchise and all other additional franchises, and you must sign the then-current franchise agreement. This option will only be available to you if there are franchise territories available, you meet our then-current criteria for new franchisees, you are current and not in default of your franchise agreement and, in our sole discretion, we determine to sell you another franchise.

You must also pay us the actual cost, plus any processing or transactional fees, of an opening case of gift cards estimated to be about $150. There is no fee for initial training for up to 4 people. We also allow additional attendees for an additional fee of $50 per attendee, per day. You must pay all travel, lodging and food expenses while attending training for yourself and your attendees (see Item 11).

In order to incentivize the first 5 franchise purchases, the initial franchise fee was waived for those 5 franchisees. Apart from this, these costs and fees are uniform and are non-refundable for all

traditional franchisees as described above. Certain non-traditional franchisees may pay different initial fees.

ITEM 6
OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty[1]	7% of gross sales	Payable weekly to be received by Tuesday of the following week (a sales week runs Monday – Saturday)	Gross sales include all revenue from the franchise business, but does not include sales tax. We reserve the right to require royalties to be paid in accordance with our electronic funds transfer or automatic withdrawal program as developed.
Advertising Fund[1,2]	3% of gross sales payable to us	Payable weekly to be received by Tuesday of the following week (a sales week runs Monday – Saturday)	See note 2 below.
New Operating Principal or New Manager Training[1]	$1,500 per person per day to be trained at our headquarters for additional training	In advance of training	You must also pay the travel, lodging, food, and other expenses for your trainees (if applicable) while attending this training.
Additional In-Person Training or Assistance[1]	$250 per day, per person	In advance of training or assistance	You must pay the travel, lodging, food, and other expenses of your attendees or our representatives during this additional training or assistance.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Transfer Fee[1]	$2,500	Prior to approved transfer	Payable when you sell your franchise and prior to our signing any approval or new agreement. You only need to reimburse our legal fees if you transfer less than 40% and your current owners maintain control. However, all guarantors will remain guarantors unless otherwise released by us.
Late Charges[1,3]	$25 per day	Payable with royalty or on demand	Charges and interest begin to accrue after the due date of any required payment or report. You will be charged $25 per day for each late fee or late report (up to $500 per late fee), plus 18% interest (or the maximum rate permitted by state law). You will also be charged $40 for any bounced checks or drafts.
Successor Franchise Fee[1]	$2,500	Prior to your entering into a successor franchise agreement	A successor franchise agreement is available to you only if you meet each of the requirements described in the franchise agreement at the time election to enter into a successor agreement must be made.
Conference or Seminar Fee[1]	Currently $0	At time of signing up for the conference or seminar	You will also be required to pay all your travel, lodging, food, and other expenses for each of your attendees.
Supplier Evaluation Fee[1]	$2,000, plus reasonable expenses, at cost	The set fee is due before we evaluate potential suppliers. The amount of reasonable expenses is due on demand	Payable if you want to have unapproved suppliers evaluated for our approval (see item 8).

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Fees on Default and Indemnity[1,4]	Attorney's fees, costs, interests and audit costs	On demand, as incurred	Paid in addition to other payments to us.
Audit Charge[1,3]	Cost of audit.	On billing.	Payable only if an audit shows an understatement of 2% or more of gross sales or records are unavailable.
Interim Management Fee[1,3]	$250 per day, per representative	Time of service	Payable if we elect to operate your business during your unapproved closing, unapproved absence, incapacity, death, or if you are not in compliance, or if we elect to purchase your franchise at a time allowed under the franchise agreement to prevent harmful interruption of business. You must also pay the travel, lodging, food, and other expenses for our representative(s) and other expenses which may be incurred by us to perform such services, plus royalties, advertising fees and other applicable fees.
System non-compliance fines and charges[1,3]	Amounts to be specified in our manuals, currently ranging between $50 and $1,000	As incurred	These fines are for certain defaults in your compliance with our manuals.
Email Account Fee[1]	$10 per additional user	Monthly	We will provide you with one free email account. Any additional accounts will be provided for $10 per user per month, or whatever Google charges. This fee will be updated periodically in our manuals.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Technology Fee[1]	Currently $350	Payable monthly to be received by the first Tuesday of the month	This fee will be updated periodically in our manuals
Dispute Resolution Fees	Varies	As incurred or on demand	You are required to pay half of the mediation or arbitration fee prior to the start of any mediation or arbitration and half of such costs thereafter. Additionally, the prevailing party will be entitled to its legal fees and expenses.
Liquidated Damages[4]	Average royalty from the previous 12 months multiplied by the lesser of 36 months or the remaining term of your franchise agreement, whichever is less.	Upon termination.	Payable if your franchise agreement is terminated prior to the expiration of the term. This is only to compensate for lost royalties and is not our only remedy.
Post-Termination Non-Compliance Fees[5]	$500 per day	Upon demand.	See note 5 below.

NOTES

[1] Royalty and Fees. Except as shown in the remarks column, all fees imposed and are payable to us. All fees payable to us or an affiliate are non-refundable. You should verify with any third-party payee whether such payments, deposits, or fees are refundable or not. If a sales or similar tax is assessed on the royalties or marketing fees, you may be required to pay us or the taxing authority the amount of this tax.

We have the right to require you to establish a bank sweep, draft or other similar type of electronic funds transfer ("EFT") account in which you must deposit the gross sales of your outlet (not including local sales & use taxes) which account we may automatically access for any payment due us. You cannot close or terminate any EFT account without receiving our prior written consent. If you fail to timely report gross sales, we may sweep an estimated amount of royalties and marketing fees

and other fees due to us. You will be responsible to pay us any amount owing if we underestimate your payment to us, and we will credit you with any overage that we charge.

[2] Advertising Fund. The advertising fund may be used by us for one or more national or regional marketing and brand development programs, as we choose.

[3] Reports. You must submit the following reports by the following due dates.

TYPE OF REPORT	DUE DATE
Gross sales report	Same due date as royalties, due Tuesday of the following week
Inventory and Labor Expenses	Same due date as royalties, due Tuesday of the following week
Profit and Loss Statement and Balance Sheet, and Labor	The 10th day of the following month
State Tax Return	The 15th day of the following quarter
Federal Tax Return	April 16th of each year

[4] Liquidated Damages. If this Agreement is terminated, other than for non-renewal or mutual termination, and because of the difficulty of calculating damages caused by lost future royalties: (a) you agree to pay us the average royalty payment from the previous 12 months multiplied by the lesser of 36 months or the remaining term of your agreement, whichever is less. Such amount will be reduced to the present value of such payments as of the date of termination utilizing an interest rate of 5%. Such liquidated damages only cover our damages for lost royalties and does not cover any other damages under this agreement, at law, and in equity and are not a waiver of any other right.

[5] Post-Termination Non-Compliance Fee. In the event you fail to comply promptly with any of your post termination de-identification obligations: (a) you agree to pay us $500 per day for each day that you are in default, as a reasonable estimate of the damages suffered by us; and (b) to prevent further injury, we may hire a third-party or use our own personnel to de-identify your unit and/or to carry out any other obligations on your behalf, for which costs you will be responsible. These costs will include any attorneys' fees and costs associated with enforcing your post-termination obligations. Upon termination, we may automatically debit your account $10,000 in anticipation of the costs associated with enforcing your post-termination obligations. This post-termination fee obligation will not affect our right to obtain appropriate injunctive relief and other remedies to enforce the franchise agreement and your obligations.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial franchise fee	$25,000 (Note 1)	Lump sum	At signing	Us
Initial training fees, and travel, lodging, food, and other expenses while training	$2,500 - $3,000 (Note 2)	As incurred	Prior to and during training	Airlines, hotels and restaurants
Real estate and improvements	$20,000 - $110,000 (Note 3)	As incurred	As negotiated	Suppliers and contractors
Professional fees	$6,000 - $10,000 (Note 4)	As incurred	As incurred	Professional architects, engineers, suppliers, and contractors
Equipment, furniture, fixtures, décor, and supplies	$50,000 - $60,000 (Note 5)	As incurred or leased	Before opening	Suppliers
POS system, computer hardware, and software	$3,500 - $8,000 (Note 6)	As incurred	As negotiated	Suppliers
Signs	$6,500 - $15,000 (Note 7)	As incurred	Before opening	Suppliers
Misc. opening costs	$1,500 - $5,000 (Note 8)	As incurred	As incurred	Suppliers, utilities, etc.
Opening inventory	$4,000 - $6,000 (Note 9)	Lump sum	As negotiated	Suppliers
Additional funds - 3 months	$10,000 (Note 10)	As incurred	As negotiated	Suppliers, accountants, employees, etc.
TOTAL	$129,000 - $252,000 (Note 11)	***Does not include royalties or marketing fees.**		

NOTES

[1] Initial Franchise Fee. The initial franchise fee is non-refundable and we do not finance any portion of the fee.

[2] Initial Training Fees, and Travel, Lodging, Food, and Other Expenses While Training. You are responsible to pay all travel, lodging, food, and other expenses for yourself and your employees during training, directly to the supplier (hotels, airlines, restaurants, rental car companies, etc.). We estimate that you will have 4 people attend training. These costs will vary widely as a function of the distance traveled and the choice of accommodations, meals, and transportation.

[3] Real Estate and Improvements. You must purchase or lease a suitable location for your franchise business. We must approve of your location. Costs of commercial property or leases and improvements vary widely based on location, terms of the lease, the total area of your space as well as construction and material costs. Your landlord may provide you with a tenant improvement allowance as part of your lease, which has not been included as part of these estimates. We have not included an amount for the lease or purchase of real property because it is impossible to estimate and varies widely per location. You should review these costs with a local contractor, commercial real estate agent and other professionals. Your space will vary depending on your needs, but we estimate you will need between 1,200 and 1,400 square feet. We provide standard plans and specifications for construction and improvements.

[4] Professional Fees. You must employ and pay our licensed architect designated and approved by us to accomplish and prepare and develop a preliminary set of plans, specifications, and related construction documents, and to prepare a full stamped set of floor plans, plans and specifications to include mechanical, plumbing, and electrical engineering as necessary to satisfy city, state, and local building codes for your Crumbl™ franchise business. You must hire a local engineer or builder to construct or improve your premises according to such plans. This estimate may vary widely from the professional costs in your area. There is no allowance included in this estimate for site planning, landscape planning, use permitting, gaining of variances or resolution of related planning and zoning conflicts, accomplishment of energy consumption calculations, accomplishment of building elevations, civil or structural engineering. Additionally, this fee estimate does not include an allowance for bid or contract administration or client directed revisions which will need to be negotiated on a case-by-case basis prior to commencement of the requested work.

[5] Equipment, Furniture, Fixtures, Décor, and Supplies. Included in this estimate are the cost of kitchen equipment, utility sinks, counters and shelving, refrigeration, utility shelving, millwork, chairs, tables, interior design, ovens, warmers, lighting, interior signage, equipment consolidation fees, management fees, and optional equipment installation fees. This estimate also includes office supplies, gift cards, and small wares. All purchase agreements or leases must be negotiated with suppliers. For any items purchased from us, we require immediate payment.

[6] POS System, Computer Hardware, and Software. You will be required to initially purchase and use our designated POS system, software, and the following computer hardware: an iMac or apple desktop computer, iPad, and Apple TV's. You must also use Quickbook® Software online and follow our accounting procedures and line items as provided in our policies and procedures manual. We will furnish you with a chart of accounts and line items that you and your accountant must follow. We will have independent access to any information or reports generated by you on this computer and/or software system. We require you maintain this information for us.

[7] Signs. At least 1 exterior sign displaying the trademark and 1 interior sign are required. These signs may be made locally. All signs must conform to our specifications. All purchase agreements or leases must be negotiated with your suppliers. You must use the location's monument sign if available.

[8] Miscellaneous Opening Costs. These miscellaneous costs include legal fees, utility costs, business entity organization expenses, employee training, deposits, insurance and licenses. For insurance, you must purchase and maintain general liability insurance in any amount of at least $1,000,000 per occurrence and $1,000,000 in the aggregate, whichever is greater; which policies will insure both you and us and our managers and officers and nominees as additional insureds against any liability which may accrue by reason of your ownership, maintenance or operation of the business licensed by us wherever it may be located. You must also maintain and keep in force all worker's compensation and employment insurance on your employees that is required under all federal and state laws. We strongly recommend that you hire a lawyer, accountant, and other professionals to advise you on this franchise offering. Rates for professionals can vary significantly based on locale, area of expertise and experience.

[9] Opening Inventory. Opening inventory items include product inventory, food, beverages, soft goods, such as napkins, boxes, cups, other paper goods, uniforms, baking goods and ingredients, flour, sugar, premier chocolate chips, linens, stickers, business cards, coupon cards, gift cards, paper products, uniforms, other food items, and other items required to operate a Crumbl™ franchise business. The range in cost depends upon the size of your franchise business, as well as estimated initial business volume.

[10] Additional Funds. You must have adequate working capital sufficient to keep your business in operation for at least 3 months. Employee compensation is between you and your employees and may vary widely. You must maintain a minimum of $10,000 in your operating account at all times. We have relied upon the experience of our principals to compile these estimates.

[11] Total. These figures are estimates for the development of 1 franchise unit and we cannot guarantee that you will not have additional expenses starting your franchise business. Your costs will depend on factors such as: how well you follow our method and procedures; your management skill; experience and business acumen; local economic conditions; the local market for our products or services; the prevailing wage rate; competition; and the sales level reached during the initial period. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. All purchase agreements or leases must be negotiated with suppliers. For any items purchased from us, we require immediate payment. We do not offer direct or indirect financing for any item (see Item 10).

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Suppliers, Proprietary Products and Required Purchases

You must operate your franchise business according to our system, including purchasing or leasing certain items or services according to our specifications, from approved suppliers, which could be us or our affiliates. You must not deviate from these methods, standards, and specifications and specifications without our prior written consent.

You must purchase the following products and services from us, other sources designated or approved by us, or according to our specifications:

Item or Service	Is the franchisor or an affiliate an approved supplier of this item?	Is the franchisor or an affiliate the only approved supplier of this item?
Cookie mixes and baking ingredients (as approved)	Yes	No
Premium chocolate chips	Yes	No
Uniforms	Yes	No
Recipes	Yes	Yes
Other food and beverage items	No	No
Computer System (iMac)	No	No
Electronics (iPad, Apple Tv, etc.)	No	No
Customized Fixtures	No	No
Architect Services	Yes	Yes
Accounting procedures	No	No
Specialized software	Yes	Yes
POS system and other software	No	No
Equipment (ovens, warmers, utensils, etc.)	No	No
Signs	No	No
Logoed products	Yes	No
Paper goods; boxes	Yes	No
Menu Boards	No	No
Interior Décor	No	No
Security System	No	No

We may also require you to purchase advertising materials from us or approves suppliers. We reserve the right for us or an affiliate to be an approved supplier or the only approved supplier of any of the items listed in the above table. Additionally, we reserve the right to require that all items used in the operation of your business be purchased from us or other sources designated or approved by us.

Insurance

You are required at your own expense to keep in full force, by advance payment(s), during the entire term of the franchise, those minimum insurance policies as set forth in the franchise agreement and our manuals. You must also maintain and keep in force all worker's compensation and employment insurance on your employees that is required under all federal and state laws.

These policies will insure you, us and our officers, directors and nominees as additional insureds against any liability which may accrue by reason of your ownership, maintenance or operation of the franchise business. These policies will stipulate that we will receive a 30-day written notice of cancellation, modification or termination. Original or duplicate copies of all insurance policies, certificates of insurance, or other proof of insurance acceptable to us must be furnished to us together with proof of payment within 30 days of issuance. Our insurance coverage requirements are only

minimums. You need to make an independent determination as to whether increased amounts or additional types of insurance are appropriate.

If you fail to obtain insurance or fail to maintain the same in full force and effect, we may obtain insurance for you at our discretion, and you will pay us the premium costs upon our demand. Failure to obtain and maintain the required insurance constitutes a material breach of the franchise agreement entitling us to terminate the agreement. You must also procure and pay for all other insurance required by state or federal law. We may periodically increase the amounts of coverage required and/or require different or additional coverage. We do not derive revenue as a result of your purchase of insurance.

Approved Suppliers

All approved suppliers and specifications are made available to you before the beginning of operations. We consider our approved suppliers and specifications to be of critical importance to the success of the system. You may be assessed fines and charges, in accordance with our manuals for purchasing, using or selling unapproved products or using unapproved or undesignated suppliers.

None of our officers have an ownership interest in any of our suppliers.

We may enter into contracts with suppliers for items or services purchased by our franchisees. Pursuant to these contracts, you will be required to purchase items or services from the approved suppliers. We estimate that the purchase of products from approved sources will represent 85% to 95% of your overall purchases in opening your franchise business and 85% to 95% of your overall purchases in operating your franchise business.

In the last fiscal year, our revenues from the sale of these products and services to franchisees was $102,379 or 17.2% of our total revenues of $596,191.33. Our affiliates have not provided products or services to franchisees during that period. We anticipate that about 18% of our revenues will be derived from franchisee purchases.

We may derive income through mark-ups in prices we charge to you for goods and services sold or provided by us or we may receive a fee or other compensation from the suppliers of these goods and services, but the mark-up will not be more than 20% for any good or service and will generally range between 5% and 10%. We may receive a fee, payment or other compensation from other suppliers of these goods and services, and we reserve the right to do so in the future.

Non-Approved Suppliers

Except for certain trademark and private label items and designated source items described above, if you desire to use a particular supplier and if that supplier meets the specifications and requirements of our system, at our discretion, we may approve that supplier to become an approved supplier.

You may establish suppliers on the approved list by making appropriate application to us. The following general criteria is used in considering whether a supplier will be designated as an approved source: the ability of the supplier to make the product to our standards and specifications; a willingness by the supplier to cooperate and work with you and other franchisees; the supplier's production and delivery capabilities; the financial condition of the supplier; the ability and willingness of the supplier

to train you and us on the effective and safe use of the product and the supplier's professional competence and performance abilities. We will use our best judgment in setting and modifying specifications to maintain quality and integrity of the franchise system.

You may be required to sign an open account credit agreement, to prepay using an electronic fund withdrawal system, or to provide a deposit for purchase of products, services and other supplies from us, our affiliates and other approved suppliers**.**

If you desire to purchase any of the items listed in this Item 8 from an unapproved supplier, you will submit to us a written request for this approval or request the supplier itself to do so. We may require you to submit sufficient information and data to permit us to ascertain whether a supplier meets our specifications. Before beginning our evaluation, you will be required to pay a supplier evaluation fee indicated in Item 6. The evaluation fee and other costs are not refundable regardless of whether or not we approve of a supplier. We will notify you in writing, within 30 days as to whether the supplier has been approved. We may make changes or alterations in the standards and specifications for approving suppliers. At our discretion, we may revoke our approval from an approved supplier upon 30 days' written notice to you.

Other than as stated above, there is no obligation for you, under the terms of the franchise agreement, to purchase or lease any goods or services regarding the establishment or operation of the franchise business from us, our affiliates or designated sources. Additionally, at this time there are no purchasing or distribution cooperatives. We currently do not negotiate purchase arrangements with suppliers, including price, terms for the benefit of franchisees. We do not provide material benefits to franchisees based on the franchisee's purchase of particular products or services or use of particular suppliers.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

	Obligation	Section in Agreement	Disclosure Document Item
a.	Site selection and acquisition/lease	Section 4.1 of the franchise agreement	Item 11
b.	Pre-opening purchases/leases	Sections 4.4 and 4.5, paragraphs 6.1.3, 6.1.10, 6.1.12 and 6.2.2(ii) of the franchise agreement	Item 8
c.	Site development and other pre-opening requirements	Section 4.2 of the franchise agreement	Items 7 and 11
d.	Initial and ongoing training	Paragraph 6.1.4 and section 7.4 of the franchise agreement	Item 11
e.	Opening	Section 4.3 and paragraph 7.4.3 of the franchise agreement	Item 11

	Obligation	Section in Agreement	Disclosure Document Item
f.	Fees	Article V of the franchise agreement	Items 5 and 6
g.	Compliance with standards and policies/operating manual	Section 6.2 and article IX of the franchise agreement	Items 8 and 11
h.	Trademarks and proprietary information	Article III of the franchise agreement	Items 13 and 14
i.	Restrictions on products/services offered	Article VIII of the franchise agreement	Item 8
j.	Warranty and customer service requirements	Paragraph 6.1.2 and section 7.3 of the franchise agreement	Item 11
k.	Territorial development and sales quotas	Not Applicable	Item 12
l.	Ongoing product/service purchases	Article VIII of the franchise agreement	Item 8
m.	Maintenance, appearance and remodeling requirements	Paragraph 6.1.8 of the franchise agreement	Item 11
n.	Insurance	Paragraph 6.1.10 of the franchise agreement	Item 8
o.	Advertising	Article X of the franchise agreement	Items 6 and 11
p.	Indemnification	Section 15.2 of the franchise agreement	Item 6
q.	Owner's participation/ management/staffing	Paragraphs 6.1.6, 6.1.7 and 6.1.9 of the franchise agreement	Items 11 and 15
r.	Records and reports	Sections 5.4 and 5.5 of the franchise agreement	Item 6
s.	Inspections and audits	Sections 5.5, 7.5 and paragraph, 6.2.2(iv) of the franchise agreement	Items 6 and 11
t.	Transfer	Article XIV of the franchise agreement	Item 17
u.	Renewal	Section 2.2 of the franchise agreement	Item 17
v.	Post-termination obligations	Section 12.1 of the franchise agreement	Item 17
w.	Non-competition covenants	Article XVI of the franchise agreement	Items 14, 15 and 17
x.	Dispute resolution	Article XVII of the franchise agreement	Item 17

	Obligation	Section in Agreement	Disclosure Document Item
y.	Compliance with government regulations	Paragraph 6.1.1 of the franchise agreement	Item 12
z.	Guarantee of franchisee obligations	Paragraph 6.3.1 of 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, Crumbl Franchising, LLC is not required to provide you with any assistance.

Pre-Opening Assistance

Before you open your franchise business, we will:

1) Designate your territory [franchise agreement section 1.1].

2) Approve of your site. However, we do not assist in locating a site. That is your responsibility. However, we must approve of your site before a lease is entered into and you begin construction. Our approval is based upon the following general criteria: access, appearance, traffic, general population, number of and types of businesses in the territory, parking, square feet and general vicinity. We do not prepare demographic studies or otherwise evaluate the potential success of your proposed site. Site approval should be completed by us and notice provided to you in writing, within two weeks or less after you have selected a prospective site. We do not lease properties to you and we do not assist you in negotiating the purchase or your lease of your site [franchise agreement section 4.1].

3) Make available general written specifications for those items listed in Item 7. We do not offer assistance in delivery or installation of any of these items [franchise agreement paragraph 7.1.2].

4) Provide you with the names of approved suppliers [franchise agreement paragraph 7.1.2].

5) Provide you preliminary design plans for your franchise business. You must adapt your franchise business to our general specifications at your own expense, in accordance with local, state, and federal laws, rules, and ordinances. Other than providing you with the general specifications, we do not assist you with the construction, remodeling or decorating of the premises [franchise agreement paragraph 7.1.1 and section 7.2].

6) Loan you a copy or provide electronic access to our confidential manuals containing mandatory policies, operating procedures, and other information. The manuals are confidential and will remain our property and may be used by you only in association with the Crumbl™ franchise business and only during the term of the franchise agreement. You must keep your copy of the manuals at your Crumbl™ franchise business at all times. You must keep the contents of the manuals confidential. The table of contents of the operations manual is included as Exhibit "G" to this disclosure document. Our manual is in electronic format and is equivalent to approximately 194 pages [franchise agreement article IX].

7) We provide an initial training program for you, your operating principal, and your managers, described in detail below [franchise agreement section 7.4].

Site Selection

You will have 3 months from the date of the franchise agreement to have a site selected and have a lease in place for your franchise business [franchise agreement section 4.1].

Before the lease agreement is signed, we must approve of your lease and you are required to have the landlord consent to an assignment of the lease. Additionally, you are required to include our standard lease rider as part of your lease, which is attached to the franchise agreement. You must provide us an executed copy of the lease within 15 days of execution [franchise agreement section 4.5]. Unless waived by us in writing, you must hire a local real estate broker familiar with retail/restaurant tenant representation to help you locate a site [franchise agreement paragraph 4.1.1].

Construction must be started within 4 months from the date of the franchise agreement and be completed within 5 months from the date of the franchise agreement. You are required to begin operations within 30 days after construction is complete and not more than six months after your franchise agreement is signed [franchise agreement sections 4.2 and 4.3].

Estimated Length of Time Before Operation

It is estimated that the length of time between the signing of the franchise agreement with the accompanying payment of the initial franchise fee and the opening of your franchise business is 5 to 6 months. Factors affecting this length of time usually include obtaining a satisfactory site, financing arrangements, construction, local ordinance compliance, training, and delivery and installation of furniture, fixtures, equipment, signs, and inventory items. You are required to commence operations not later than 30 days following completion of your premises and in no case later than 6 months from signing this Agreement.

You must give us at least 30 days' written notice before opening your franchise business location. We have the right to inspect and approve your premises and operations prior to opening. Failure to meet these deadlines may result in a termination of the franchise agreement without a refund [franchise agreement article IV].

Assistance During Operation

During the operation of your franchise business, we will:

1) Hold conferences to discuss improvements, new developments, mutual concerns and business issues. Attendance is mandatory. Currently, there is no conference fee. We may charge a charge a conference fee, and you may be required to pay all your travel, lodging, food, and other living expenses (see Item 6). These conferences will be held at various locations chosen by us [franchise agreement paragraph 6.1.13].

2) Provide you with updates to the manuals. We have the right to modify the manuals to reflect changes in the system including the development of, or change in, products and services [franchise agreement section 9.1]. The modifications may obligate you to invest additional capital in your franchise business and to incur higher operating costs. You must incorporate all such modifications within the time periods that we specify. We will not obligate you to invest additional capital at a time when the investment cannot in our reasonable judgment be amortized during the remaining term of the franchise agreement [franchise agreement paragraph 6.2.2(iii)]. The master copy of the manuals maintained by us will be controlling in the event of a dispute relative to the contents of the confidential manual [franchise agreement article IX]. You may not copy any part of the manuals, either physically or electronically.

3) At your reasonable request or at our discretion, provide assistance, either remotely or in person. For additional in-person assistance, you may be charged a fee and be required to cover travel, lodging, food, and other expenses (see Item 6) [franchise agreement section 7.2].

During the operation of your franchise business, we may:

4) At our discretion, make periodic inspections of your franchise business, which may be done in person or through remote access such as video or live video conferencing. We may provide you with written reports of our inspection. Upon our request, at reasonable times, you will provide to us a video and/or digital images of the interior and exterior of your franchise business as set forth in the manuals [franchise agreement paragraph 6.2.2(iv)].

5) At our discretion, conduct additional seminars, which may be through online webinars, live video conferencing or other electronic media, phone conference or in person, to discuss improvements, new developments, mutual concerns and business issues, sales, personnel training, delivery services, bookkeeping, accounting, inventory control, and performance standards. We may charge a seminar fee (see Item 6), and you may be required to pay all your travel, lodging, food, and other living expenses. Seminars are normally held at our headquarters or as available at regional facilities [franchise agreement paragraph 6.1.13].

6) Provide you with such continuing assistance in the operation of the franchise business as we deem advisable [franchise agreement section 7.2].

7) To the degree permitted by law, suggest retail price, specify maximum and minimum pricing above and below which you will not provide any goods or services [franchise agreement paragraph 6.1.11].

8) Replace defective products purchased directly from us, based on our standard limited warranty. For items purchased through third parties or an affiliate, you must work directly with your supplier of such items regarding warranties, defective products, training and support [franchise agreement section 7.3].

Employment Matters

We do not assist you with the hiring, firing, managing, or compensation of your employees. That is your responsibility. Other than initial and ongoing management training, we do not assist you with training your employees. We may provide you with an employee guide, manual, or driver agreement, but it will only be a sample of certain employment matters unless otherwise indicated by us. It is your responsibility to comply with local and federal employment laws [franchise agreement paragraph 6.1.9].

Advertising and Promotion

We may provide you with samples of marketing materials developed by us and provide new marketing techniques as developed [franchise agreement sections 10.3]. You must honor all coupon, price reductions, and other programs established by us [franchise agreement section 6.2.2(i)].

At your request, we may assist you in the digital development of your advertising and marketing materials at a cost to You of $75 per hour or our then current rate as set forth in the manuals. Marketing is primarily done by us. You may develop advertising and marketing materials for your use, at your cost, but we do not encourage you to do this. All advertising and marketing material developed or used by you must have our prior written approval. Any advertising or marketing you create becomes our property and will be considered "works for hire" that can be used by us or other franchisees without compensation to you and may be made available on our website. All advertising must be submitted to us for approval prior to use. If you do not receive written approval or disapproval within 10 days of the date we received your submission, the materials submitted are deemed approved [franchise agreement sections 3.5 and 10.3-10.4 and paragraph 3.11].

Advertising Fund

You must contribute 3% of your gross sales per month to a national advertising fund (referred to as the advertising find) for regional or national marketing or a public relations program as we, in our sole discretion, may deem necessary or appropriate to advertise and promote the franchise system. We and our affiliates contribute to this fund on the same basis as the franchisees, but we have one company-owned location that does not contribute to the fund.

We are responsible for administering the advertising fund. We will direct all uses of the advertising fund, with sole discretion over: 1) the creative concepts, materials, endorsements and media used regarding these programs (which may include all forms of digital and social media, Internet, radio, television, print, and other media and marketing formats as developed over time, as funds permit); 2) the source of the marketing or public relation efforts (which may be in-house or through an outside agency located locally, regionally or nationally); 3) the placement and allocation of these programs (which will be local or regional); and 4) the composition of all geographic territories and market areas for the development and implementation of these programs [franchise agreement sections 5.3 and 10.1].

We are not required to spend any amount on marketing directly in the area or territory where you are located. We make no representations the advertising fund will benefit you or any other franchisee directly, on a pro rata basis, proportionately, or at all. Funds may be used to solicit additional franchisees, but this will not account for more than 50% of the fund.

We may use the marketing fund to offset a portion of direct costs to manage and maintain the fund, including the payment of staff salaries and other expenses for those employees who may be involved in advertising fund activities.

Any unused advertising funds in any calendar year will be applied to the following year's fund. The advertising fund is unaudited. You may request an unaudited annual report of marketing expenditures within 90 days of the end of each year.

Advertising Fund Council

No franchisee advertising council is anticipated at this time. At this time, you are not required to participate in any other marketing funds.

The Internet

You may not create a website or social networking site or engage in marketing on the Internet, including posting for re-sell, items on third party re-sell or auction style websites such as, eBay®, Craigslist or Amazon.com, for your franchise business without our prior written permission. If we do provide written approval to create your own website or social media for the franchise business, all content must be pre-approved by us in writing, and you are required to provide us administrative access, account information and other information related to any of your websites and social media. You are required to use our website designer to create the site for a fee (see Item 6). You may be allowed to place pre-approved information concerning your franchise business on our website and social networking sites such as Facebook, Twitter, and Instagram as developed by us. You may not claim any web listing on sites such as Yelp or Yellowpages.com. You must strictly comply with our policies and procedures regarding websites, social media, and Internet marketing. Failure to strictly follow our policies and procedures is grounds for termination of the franchise agreement. You must at all times maintain and frequently check a valid email address known and available to us, to facilitate our communication with you. We reserve the right to restrict your right to use these sites in the future [franchise agreement section 10.4].

As used in this FDD, the term "Internet" means any present or future interactive system for electronic communications, using lines, cables, wireless, satellite, radio or any other technology; and which involves one or more of the following: the system of interconnected computer networks that use the internet protocol suite (TCP/IP) or its successor; websites or similar remotely-accessible electronic information sources (whether password protected or not); use of domain names, other locators, or emails that use our trademarks; internet phone services; cellular or similar messaging; mobile applications; social networks or social media; or wikis, podcasts, online content sharing communities, or blogging.

Computer / Point of Sale System

We require the use of an apple computer and point of system designated by us to be purchased or leased from a designated supplier. The POS system will provide:

- Reporting of sales
- Time keeping for employees
- A customer data base
- Gift card tracking
- Credit card payment
- Coupon tracking

You are required to participate in our gift card program and accept Crumbl™ gift cards at your location.

We will have independent access to the information and data collected or generated by the computer and the POS. There are no contractual limits on our rights to do so. You must keep these systems available for our access 24 hours a day, 7 days a week. We may require updates and upgrades to your computer hardware, software and POS system at your expense during the term of the franchise agreement. There are no contractual limitations on our right to do so. We estimate the annual costs to maintain, upgrade and support your computer to be between $0 and $1,000. We are not required to maintain, repair, update and/or upgrade your computer or POS system. There are no contractual limitations to the frequency and cost of the obligation to upgrade and maintain the computer or POS system. [franchise agreement paragraph 6.1.12].

The estimated cost for the purchase of the apple computer is approximately $1,500. The estimated cost for the purchase of the point of sale system is $1,000, and the software company currently charges ongoing fees depending on the type of payment, ranging from 2.5% - 3.5% and 10¢ - 15¢ per transaction. More information on the type of fees can be found here: https://squareup.com/pricing.

We also require you to use a QuickBooks accounting system. Generally, QuickBooks is updated annually for a cost of up to $500 dollars per year and there is currently an annual online fee of $300 per year.

You will be required to use only the standardized profit and loss statement templates and balance sheet templates that we will provide you [franchise agreement paragraph 5.5].

Communication

We will set up an initial email account at no cost to you. For each additional user and/or account that you request, we will charge a fee of $10 per user per month, or whatever Google's current fee is.

Miscellaneous

We may approve exceptions to our changes in the uniform standards for you or any other franchise that we believe are necessary or desirable based on particular circumstances. You have no right to object to this variance yourself. We may deny any or all of the above services to you while you are in breach of the franchise agreement or in default in the discharge of any of your obligations to us [franchise agreement paragraph 6.2.2].

Initial Training

Your operating principal and your manager(s), are required to attend and successfully complete a training program which is held at a place designated by us in the State of Utah. The training program is held as necessary. Successful completion will be determined by our trainers. Failure to have your operating principal and your manager to successfully complete training is a default of the franchise agreement.

The "operating principal" is: a) if the franchisee is an individual, that individual; or b) if the franchisee is an entity, an individual that owns at least 25% of the ownership and voting interests in the franchisee entity (unless you obtain our written approval of a lower percentage), has authority over all business decisions related to the franchise business, and has the power to bind the franchise business in all dealing with us.

Successful completion of training must be completed 2 weeks before you may open your franchise business. The length of training depends on the prior experience of your attendees but should range from 4 to 6 days. Each attendee must successfully pass the technical exam with a passing score of 75% as a prerequisite to achieving operating manager's status with Crumbl™. The estimated cost of training is listed in Item 5 and Item 7 [franchise agreement section 7.4].

After the initial training, any new operating principal and manager must complete initial training within 14 days of hire or designating as operating principal. This training must be performed by either us or you. Our fee for this additional training is currently $1,500 per person to be trained at our headquarters. For more information see Item 6.

This initial training is provided by instructors whose experience is described below and in Item 2 if the trainer is part of management. The training program consists generally of the following:

TRAINING PROGRAM

Subject	Hours of Classroom or Online Training	Hours of on-the-Job Training	Location
Online Training	50 to 60	0	Online
Baking	4	2	Headquarters
Shift Lead/Store Management	4	2	Headquarters
Franchise Ownership	4	2	Headquarters
Driving	4	2	Headquarters
All Positions	8	8 to 10	Headquarters
Total:	74 to 84	16 to 18	

Our trainers include the following individuals:

Sawyer Hemsley

Sawyer Hemsley is a Founder of Crumbl Franchising, LLC. Sawyer is also a manager of the company and the executive officer in charge of training. Sawyer has held this position since the inception of the company in 2018. Sawyer was one of the founding members of Crumbl™ and helped develop the system from the ground up. Additionally, Sawyer is a member and manager of Crumbl, LLC, and was actively involved with the day-to-day operation of a company-owned location in Logan, Utah from August 2017 to the August 2018 and a company-owned location in Orem Utah since January 2018. Sawyer has been involved in the training of Crumbl's franchisees since the inception of the company in 2018.

Abigail Tucker

Abigail Tucker is a Corporate Field Trainer at Crumbl Franchising, LLC. Abigail was recently hired in March 2019 to be a trainer of franchisees. From May 2018 to October 2018, Abigail was a Chef De Partie of Alinea Group in Chicago, Illinois. From April 2016 to May 2018 she was the Owner and CEO of Prim & Plated, a catering company in Kamas, Utah.

Ashley Lynn Brinton

Ashley Lynn Brinton is a Corporate Field Trainer at Crumbl Franchising, LLC. Ashley was recently hired in March 2019. From August 2018 until the present, Ashley has been employed as a Professional Speaker at AshleySpeaks in Roy, Utah. From August 2014 to August 2018, Ashley was a Training Services Assistant Manager at TRI Leadership in Owasso, Oklahoma.

We will provide access to our manuals during training and other handouts to facilitate training.

At this time, other than listed above, no additional trainings or refresher courses are required.

ITEM 12
TERRITORY

Under the franchise agreement, we will grant you the right to use the system and proprietary marks solely within a specific geographic area, the boundaries of which will be negotiated prior to signing and are described in the franchise agreement.

The specific size of your territory will be limited to the location of your unit. We will generally not place another franchise unit within 2 miles of your location. The written boundaries of your territory will be included in your franchise agreement. We have the right to adjust the boundaries of your territory if the population of the territory increases to 100,000 or more.

You are restricted to operations from an approved franchised premises and may not, without our prior written approval, open or operate another outlet whether inside or outside the territory, or to provide mobile or off-site services. You may not service customers within another franchisee's territory. You must actively sell your franchise business products and services in your territory. You do not have the right to sell products or services through other channels of distribution, including the Internet, via apps or social media, except as expressly permitted by us. You must obtain our prior written permission if you want to relocate your franchise. Approval to relocate is based upon the then-current criteria used in approving a new franchisee's proposed site (see Item 11).

Your franchise agreement is dependent upon achievement of a minimum sales volume, market penetration or other contingency. Specifically, starting in the second year of business, or the first full calendar year in which you are in business, you must achieve a minimum of $100,000 in annual gross sales. Failure to meet this requirement may result in the creation of a sales performance plan with us in which you will be given a period of time in which to increase sales to achieve this requirement or face possible termination of the franchise agreement.

Other franchisees may advertise within your territory and you may advertise within other territories.

You do not receive the right or option to acquire additional franchises.

You will not be assigned an exclusive territory for your franchise business. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. However, we will not establish another traditional franchise or company owned unit using the trademark within your territory.

We and our affiliates, either personally or through agents and representatives, exclusively reserve the right to sell Crumbl™ outlets through non-traditional franchises at our discretion, both within and without your territory, without paying compensation to you. These franchises may include locations at convention centers, sporting arenas, airports, bookstores, malls, grocery and convenience stores, or other similar locations.

We and our affiliates exclusively reserve the right to sell, market and distribute Crumbl™ products and products under other brands we control both within and outside your territory using other marketing strategies and distribution channels, such as the Internet, via apps, social media, catalogs and other direct sales methods, to or through retail and wholesale outlets, and co-branding with other outlets, etc. Through these other marketing strategies and distribution channels we may sell similar products or services in your territory under the same or different trademark, without compensation to you.

Neither we, nor an affiliate operates, franchises or has plans to operate or franchise a business that sells or will sell goods or services similar to those sold in your franchise using a different trademark, but we reserve the right to do so in the future.

ITEM 13
TRADEMARKS

We grant you the non-exclusive right to use certain of our trademarks in the operation of your franchise business. You may also use future trademarks in the operation of your franchise business, as we designate. You will not at any time acquire any rights in the trademarks. By trademarks we mean our trade names, trademarks, commercial symbols, service marks and logos.

The following trademarks, service marks, trade names, logotypes or other commercial symbols listed below are registered or have been filed for registration with the United States Patent and Trademark Office on the Principal Register. All required affidavits and renewals have been filed.

Registration/ Serial Number	Word or Design Mark	Registry	Registration/ Filing Date	Status
87,807,481	CRUMBL	Principal	February 22, 2018	Final office action issued; under review by the USPTO examiner.
88,097,536		Principal	August 29, 2018	Application has been published for opposition.

We do not have a federal registration for our principal trademark. Therefore, our trademark does not have many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses. Because we are a new company and brand, we are still developing our trademark, trade dress, and intellectual property. If we decide to change our trademark, trade dress, or intellectual property, you will be required to adopt these changes at your expense.

You must use all trademarks in strict compliance with our manuals and Crumbl™ system. You must modify or discontinue the use of a trademark at your cost, if we modify or discontinue it. You are prohibited from using any trademark as part of your corporate name, but you must use the name Crumbl™ as part of an assumed name or dba registered with the applicable governmental authority. This use is non-exclusive. You cannot make application for registration or other protection of Crumbl™ names, derivatives or any other trademark used by us.

You may only use the trademarks with the letters "TM" or "SM" or "®" as appropriate. You are prohibited from using any trademark in the sale of any unauthorized product or service or in any manner not expressly authorized in writing by us. You are required to adhere fully and strictly to all security procedures required by us for maintaining the secrecy of proprietary information.

There are presently no effective determinations by the United States Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court or pending interference, opposition or cancellation proceeding, or pending material litigation involving the trademarks. There are no agreements currently in effect which significantly limit our rights to use or license the use of the trademarks.

There are presently no superior rights in or infringing uses of the trademarks that could materially affect your use of the trademarks in your territory. However, we are aware of one company claiming certain trade dress and trademark rights which may require you to change and modify your interior décor, uniforms and signage. Such changes, if any, will be done at your cost.

You are obligated to immediately notify us when you learn about an infringement of or challenge to your use of our trademarks. We will have the discretion to take the action we deem appropriate. We are not obligated to protect any rights which you have to use the trademarks, or to protect you against claims of infringement or unfair competition. You are given the right to protect yourself, at your sole cost, from any of these claims if we elect not to prosecute the claim of infringement or unfair competition; however, we have the right to control any administrative proceedings or litigation involving the trademarks, and you will proceed in strict coordination and oversight by us. You may not act contrary to our rights in the marks. We are not required to defend or

indemnify you for expenses or damages if you are party to an administrative or judicial proceeding involving the licensed trademark.

You may not contest, directly or indirectly, our right and interest in our trademarks, names or marks, trade secrets, methods, and procedures which are part of our business and agree to execute documents and assurances necessary to effectuate these provisions. Any goodwill associated with the trademarks or system belongs exclusively to us.

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent and we do not have any pending patent applications with the United States Patent and Trademark Office. We do not own rights to, or licenses in, any patent that is material to the franchise system.

We have not registered our manuals with the United States Copyright Office, but we claim a copyright and consider the information proprietary, and we, or our parent or affiliate, claim protected trade secrets and copyrights in parts of our franchise system.

You may use the proprietary information in our manuals, and then only in connection with the system. The manuals may not be copied. The manuals must be returned to us or permanently deleted by you upon termination of your franchise agreement. As mentioned above, portions of the "system" are a trade secret or confidential and proprietary to us. You must also promptly tell us when you learn about unauthorized use of our manuals and any other proprietary information We are not obligated to take any action but will respond to this information as we believe appropriate. If applicable, we have the right to control any administrative proceedings or litigation. We are not required to defend or indemnify you for any damages from a proceeding based on patents or copyright. You must modify or discontinue the use of any copyright, at your cost, if we modify or discontinue it, in our reasonable discretion.

With regards to our proprietary information, the franchise agreement also provides that you will: (a) strictly follow all confidential security procedures required by us, (b) disclose this information to your employees only as needed to market our products and services; (c) not use this information in any other business; (d) exercise the highest degree of diligence to maintain this information as confidential; and (e) promptly notify us if you learn of any unauthorized use of our trade name, trade secrets or proprietary information. Your use of our proprietary information is limited to the uses required or allowed by us.

We claim other copyrights in sales literature and marketing materials which we, or our franchisees develop for our use and for use by our franchisees, and your use of these materials will be limited to the uses required or allowed by us.

There are presently no known superior rights in or infringing uses of the copyrights or patents that could materially affect your use of the copyrights or patents in your territory.

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

Your operating principal must personally participate in the direct operation and supervision of the franchise business on a full-time basis for at least the first 90 days of operation. Thereafter, we require on-premises supervision by your operating principal or your designated manager who must be certified by us to manage your franchise business. You operating principal must work sufficient hours to operate your franchise business or supervise your manager so that your franchise business is operating at maximum capacity and efficiency.

Your operating principal and your managers must keep free from competing enterprises. activities that would be detrimental to, or interfere with, the operation of your franchise business. You must have at least 1 manager on-site during regular business hours. Although we do not require your operating principal be involved in the day-to-day on-premises management, except as required above, your operating principal is required to participate in your franchise business as follows: (i) be directly responsible for all accounting, reporting and bookkeeping; (ii) attend and complete all training and retraining courses required by us; (iii) attend any annual or special meetings of franchisees called by us; (iv) be directly involved with site selection, construction, remodeling and all financial components of the franchise business; and (v) your operating principal or your trained and designated manager must be directly involved in all personnel decisions affecting the franchise business.

Your operating principal and at least one manager, if separate from you, must complete the initial training program. We do not put a limitation on whom you can hire as your manager, but your manager and any subsequent manager must complete and pass our training program, or be trained by you, before they can manage a franchise business. To pass training, your manager must demonstrate competence in several areas of running a franchise business. These areas include: knowledge of basic policies and procedures, minor equipment assembly, customer service, equipment maintenance and sanitization, daily operations, record keeping, basic accounting techniques and ability to train employees.

You must understand clearly that the risks, financial and otherwise, which are inherent with the beginning of any new business, are yours alone. We, as a matter of policy, will not assist you in any decision-making process which may affect your business operations. The success or failure of your franchise business is for the most part dependent on your efforts. Purchase of this franchise should not be considered by anyone who is unfamiliar with standard business practices or is unwilling to accept the responsibilities associated with running a small business.

Neither you, your operating principal, nor your management employees can have an interest in or business relationship with any competing cookie delivery business and must keep free from activities that would be detrimental to or interfere with the operation of your franchise business or detrimental to the franchise system. You, your partners, directors, members, shareholders, operating principal, and management employees will be required to sign our standard confidentiality and non-competition agreement to protect and keep confidential our trade secrets and confidential information and to conform with the covenants not to compete described in Item 17 (see franchise agreement exhibits A-4 and A-5). Your employees will also be required to sign a confidentiality agreement. We provide you this form, but it is your responsibility to conform it to the laws and regulations of your state (see franchise agreement exhibit A-6).

You must operate the franchise business at 6 days per week throughout the year, from 10:00 a.m. until 12:00 a.m., throughout the year (unless waived in writing by us), except for the following holidays: New Year's Day, Thanksgiving Day, Christmas Eve, and Christmas Day. You may not operate the franchise business on Sunday. We reserve the right to require you to operate more frequently or at different times. You must also maintain sufficient supplies and materials and employ adequate personnel to operate the franchise business at maximum capacity and efficiency. Your operating principal must conduct frequent inspections of the franchise business to ensure the highest standards of professionalism, cleanliness, and a general pleasant appearance, and compliance with our approved methods.

Any individual who owns a 10% or greater interest in the franchise business must personally guarantee the performance of all your obligations under the franchise agreement and agree to be personally bound by, and liable for, the breach of every provision of the franchise agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must provide and sell only those products and services specified and approved by us in writing. No product or service may be added to, altered, or discontinued by your franchise business unless it is first approved by us in writing. You must offer all products and services required by us. We reserve the right to add, modify, or delete products and/or services that you will be required to offer. There are no limits on our right to do so. You must strictly follow our policies, procedures, specifications, methods and techniques concerning all of products and services.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP[1]

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

	Provision	Section in Franchise or other Agreement	Summary
a.	Length of the franchise term	Section 2.1	Term - 5 years – The franchise term will begin upon signing the franchise agreement and coincide with your lease agreement for the premises.
b.	Renewal or extension of the term	Section 2.2	If you are in good standing at the end of the franchise term, you can enter into a new successor franchise agreement for an additional term of 10 years. Your successor agreement may also provide an option to enter into a subsequent successor franchise agreement.

	Provision	Section in Franchise or other Agreement	Summary
c.	Requirements for franchisee to renew or extend	Section 2.2	In order to renew, you must, among other things, not be in default, pay a successor franchise fee, modernize your franchise business to the then-current standards, and sign the then-current franchise agreement, which may have materially different terms from the previous agreement.
d.	Termination by franchisee	Section 11.4	There are no provisions in the franchise agreement that permit you to terminate the franchise agreement, except that after 1 year of operating your franchise, you may terminate the franchise agreement upon 90 days written notice and paying us $25,000 and signing a mutual termination and release agreement. After 2 years of operating Your Franchise Business, You may terminate this Agreement by paying a fee of $15,000 and executing a Mutual Termination and Release Agreement.
e.	Termination by franchisor without cause	Section 11.1	We must have cause to terminate the franchise agreement (see below).
f.	Termination by franchisor with cause	Section 11.1	We can terminate if you materially breach and fail to cure. There are certain specified breaches for which we can terminate without giving you an opportunity to cure (see (h) below).
g.	"Cause" defined - non-curable defaults	Paragraphs 11.1 A-Q	Non-curable defaults include conviction of a felony, fraud, repeated defaults even if cured, threat of harm or harm to the public, abandonment, and trademark misuse.
h.	"Cause" defined - curable defaults	Paragraphs 11.1 R-X	You have 24 hours to 30 days to cure certain material defaults of the franchise agreement.
i.	Franchisee's obligations on termination/non-renewal	Section 12.1	Obligations include complete de-identification, payment of amounts due, and compliance with the non-competition agreement, etc. (See also (r) below).

	Provision	Section in Franchise or other Agreement	Summary
j.	Assignment of contract by franchisor	Section 14.1	There are no restrictions on our right to assign.
k.	"Transfer" by franchisee - defined	Section 14.2	The definition of transfer by you includes the assignment and transfer of contracts, security interests and ownership change, etc.
l.	Franchisor approval of transfer by franchisee	Section 14.2	We must approve all transfers, but we will not unreasonably withhold approval.
m.	Conditions for franchisor approval of transfer	Sections 14.3 - 14.8	Conditions to transfer include that you are not in default, all fees are current, new franchisee qualifies, transfer and training fees are paid, purchase agreement is approved, training for new franchisee arranged, new transferee signs the then-current franchise agreement, and a release is signed by you, etc. (See state specific addenda).
n.	Franchisor's right of first refusal to acquire franchisee's business	Section 14.9	We can match any offer for your franchise business or business assets within 60 days of written notice to us of the offer.
o.	Franchisor's option to purchase franchisee's business	Section 13.1	Upon termination or expiration of the franchise agreement, we can buy all or part of your business assets at fair market value within 60 days.
p.	Death or disability of franchisee	Section 14.10	Within 180 days of death or disability, your personal representative must be approved, and a new manager must be trained, if applicable, or the franchise must be assigned to an approved buyer. We have the right to operate your franchise business until a trained manager is in place for which fees will apply (See Item 6).
q.	Non-competition covenants during the term of the franchise	Section 16.1	No involvement in competing business anywhere without our written consent.

	Provision	Section in Franchise or other Agreement	Summary
r.	Non-competition covenants after the franchise is terminated, transferred or expires	Sections 16.3 – 16.4	No competing business for 3 years within your former territory or within 25 miles of your territory or within 25 miles of any other Crumbl™ franchise or company or affiliate owned Crumbl™ business (including after assignment). If you compete within the time period then this non-compete time period will be tolled and extended for the period of your competition, plus 6 months.
s.	Modification of the agreement	Section 20.11	Modifications must be made in writing and signed by both parties, but policies and procedures and the manuals are subject to change by us.
t.	Integration / merger clause	Section 20.10	Only the terms of the franchise agreement are binding (subject to state law). All representations and promises outside the disclosure document and franchise agreement may not be enforceable. Notwithstanding the foregoing, no provision in any franchise agreement is intended to disclaim the express representations made in this Franchise Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Section 17.2	Except for certain claims, for all disputes there must be a face-to-face meeting, mediation and arbitration/litigation (see state specific addenda).
v.	Choice of forum	Sections 17.2 and 19.2	All dispute resolution must be held in Salt Lake County or the county where our then-current headquarters is located (subject to state law).
w.	Choice of Law	Sections 19.1 and 19.5	Utah law, the Federal Arbitration Act, and the United States Trademark Act apply (subject to applicable state law).

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

FRANCHISE LOCATION AVERAGE PERFORMANCE

Because we are a new franchise system, we had no franchised outlets that were open for all of 2018. For that reason, we have chosen to state this representation from a subset of our franchised outlets that were open for 6 months or more. The total number of franchised outlets that existed in 2018 was 14[1], 5 of which had operated for 6 months or more, which equates to approximately 35.7% of the total franchised locations that opened and were operating in 2018. The following chart shows the Gross Sales, Gross Profit, and Net Income (defined below) for such 5 Crumbl™ locations in 2018 that operated for 6 months or more. This information is historic and actual information, except for the information labeled as "Average Year" which is a projection of what these locations may have generated if they had operated for the entire year. These locations serve the same type of goods that you will be serving. This subset of locations are all located in the state of Utah and are each within territories of approximately 40,000 to 90,000 people. Your location will likely face different competition, costs, customer preferences, or population numbers.

Actual	Location A	Location B	Location C	Location D	Location E
Opening Date	May 2, 2018	May 16, 2018	July 5, 2018	May 31, 2018	May 24, 2018
Gross Sales	799,626	879,516	612,360	446,990	757,023
Gross Profit	411,682	617,652	388,968	289,348	403,644
Net Income	225,665	256,340	258,851	85,516	206,519

Average Month*					
Gross Sales	99,953	109,940	102,060	55,874	94,628
Gross Profit	51,460	77,207	64,828	36,169	50,456
Net Income	28,208	32,043	43,142	10,689	25,815

Average Year**					
Gross Sales	1,199,439	1,319,274	1,224,720	670,484	1,135,534

Gross Profit	617,523	926,479	777,936	434,022	605,466
Net Income	338,498	384,510	517,702	128,274	309,779

Average Month	Average	High	Low	Median
Gross Sales	92,491	109,940	55,874	99,953
Gross Profit	56,024	77,207	36,169	51,460
Net Income	27,979	43,142	10,689	28,208

Average Year	Average	High	Low	Median
Gross Sales	1,109,890	1,319,274	670,484	1,199,439
Gross Profit	672,285	926,479	434,022	617,523
Net Income	335,753	517,702	128,274	338,498

[1] One of our franchised location was previously a company-owned location that opened in 2017 but was purchased by a franchisee in July 2018. Therefore, this location was not included in this subset representation or in this total number of franchisees.

Definitions

"Average Month" means Gross Sales, Gross Profit, and Net Income averaged over a month of operation.

"Average Year" means Average Month multiplied by 12. This number is a projection of what such locations would have earned had they operated for a full year. We are assuming that the Average Month amount will stay relatively constant throughout the year.

"Gross Sales" means total revenue derived from the sale of goods or services less sales tax, discounts, allowances, and returns.

"Gross Profit" means Gross Sales minus cost of goods sold, including food goods, labor, and payroll taxes.

"Net Income" means Gross Profit minus all operating expenses excluding income tax, depreciation, and amortization. Note that Net Income includes months before opening and thus can be lower than the sum of Average Month Net Income.

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.

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 this disclosure document, may be one source of this information.

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

Other than the preceding financial performance representation, Crumbl Franchising, LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Jason McGowan at franchising@crumbl.com and (801) 369-7112, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Years 2016 to 2018

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2016	0	0	+0
	2017	0	0	+0
	2018	0	15	+15
Company Owned	2016	0	0	+0
	2017	0	1	+1
	2018	1	1	+0
Total Outlets	2016	0	0	+0
	2017	0	1	+1
	2018	1	16	+15

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(other than the Franchisor)
For Years 2016 to 2018

State	Year	Number of Transfers
Total	2016	0
	2017	0
	2018	0

Table No. 3
Status of Franchised Outlets
For Years 2016 to 2018

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Outlets at End of Year
Idaho	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
	2018	0	1	0	0	0	0	1
Nevada	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
	2018	0	2	0	0	0	0	2
Utah	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
	2018	0	12	0	0	0	0	12
Total	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
	2018	0	15	0	0	0	0	15

Table No. 4
Status of Company-Owned Outlets[2]
For Years 2016 to 2018

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Utah	2016	0	0	0	0	0	0
	2017	0	1	0	0	0	1
	2018	1	1	0	0	1	1
Total	2016	0	0	0	0	0	0
	2017	0	1	0	0	0	1
	2018	1	1	0	0	1	1

Table No. 5
Projected Openings as of December 31, 2018

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
Alabama	0	1	0
Arizona	4	4	0
California	0	2	0
Colorado	0	2	0
Florida	0	1	0
Idaho	0	2	0
Montana	0	2	0
Nevada	0	2	0
Ohio	0	1	0
Oregon	0	1	0
Tennessee	1	1	0
Texas	0	2	0
Utah	3	3	0
Washington	0	1	0
Wyoming	0	1	0
Total	8	26	0

No franchisees have been terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during 2018, or who has not communicated with us within 10 weeks of the issuance 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.

Exhibit "D" contains a list of our current franchisees. Exhibit "D" also contains a list of franchisees who have had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the issuance date.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

We do not know of any trademark specific franchisee organization associated with our system which is required to be disclosed in this item.

ITEM 21
FINANCIAL STATEMENTS

Our fiscal year ends on December 31st of each year. Attached as Exhibit "C" are our audited balance sheet and reviewed financial statements dated April 16, 2019, and previously unaudited balance sheet dated February 22, 2018. The franchisor has not been in business for 3 years or more and cannot include all the financial statements required by the Rule for its last 3 fiscal years.

ITEM 22
CONTRACTS

We have attached the following contracts: as Exhibit "A," the Franchise Agreement and its Exhibits; as Exhibit "B," the Statement of Prospective Franchisee; and as Exhibit "H," the Release Agreement. All other contracts and agreements are to be entered into with persons of your choice and therefore cannot be attached.

ITEM 23
RECEIPT

The last 2 pages of this disclosure document contain a receipt, in duplicate. The receipt is a detachable acknowledgement that you have received this franchise disclosure document. Both receipts should be signed and dated, and one copy should be returned to us. Please sign and date the receipts and return one copy to Crumbl Franchising, LLC and keep the other for your records. You may return the signed and dated receipt by mailing it to us at 160 E University Pkwy, Ste J, Orem, Utah 84058, or by emailing it to us at franchising@crumbl.com.

ADDENDUM TO THE CRUMBL™ FDD
STATE REGULATIONS

SCHEDULE "A-1"
TO THE FDD

STATE REGULATIONS
FOR THE STATE OF CALIFORNIA

1. The California Franchise Investment law requires that a copy of all proposed agreements relating to the sale of the franchise be delivered together with the disclosure document.

2. The California Franchise Relations Act, Business and Professions Code Sections 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 California law, California law controls.

3. 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.)

4. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be fully enforceable under California law.

5. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

6. The franchise agreement requires binding arbitration. The arbitration will occur at Salt Lake County, Utah with the costs being borne by you for travel to, and lodging in, Utah, and other costs associated with arbitration. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and Federal laws (this or these as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 128a, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

7. The franchise agreement requires application of the laws of Utah, but the California franchise laws may prevail in some instances. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California laws.

8. You must sign a general release if you transfer, renew or terminate your franchise. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

9. Neither franchisor nor any person listed in Item 2 of the disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling this or these persons from membership in such association or exchange.

10. Section 31125 of the California Corporations Code requires the Franchisor to give the franchisee a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, before a solicitation of a proposed modification of an existing franchise.

11. OUR WEBSITE at www.crumbl.com HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS

CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.

12. The franchise agreement provides for waiver of a jury trial. This may not be enforceable in California.

Item 6 under Late Fees is amended to include the following:

"The highest interest rate allowed in California is 10% annually."

Item 19 is amended to include the following:

"The earnings claims figures do not reflect the 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 this offering circular, may be one source of this information."

SCHEDULE "A-2"
TO THE FDD

INFORMATION FOR RESIDENTS OF HAWAII

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE 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 THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Registered agent in the state authorized to receive service of process:

Department of Commerce and Consumer Affairs
Business Registration Division
Commissioner of Securities
335 Merchant St., 2nd Floor
Honolulu, HI 96813

SCHEDULE 2

ADDENDUM TO THE DISCLOSURE DOCUMENT
FOR THE STATE OF HAWAII

1. The Hawaii franchise investment law requires that a copy of all proposed agreements relating to the sale of the franchise be delivered together with the disclosure document.

2. Hawaii Revised Statutes, Title 26, Chapter 482E, Section 482E-6 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with Hawaii law, the law will control.

3. The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (1.1 U.S.C.A. Sec. 101 et seq.)

4. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under Hawaii law.

5. The franchise agreement requires application of the laws of the State of Utah. This provision may not be enforceable under Hawaii law.

6. The franchise agreement requires *you* to purchase certain goods from designated sources of supply. This provision may not be enforceable under Hawaii law unless such restrictive purchasing agreements are reasonably necessary for a lawful purpose justified on business grounds.

7. Upon termination or refusal to renew the franchise, Hawaii law requires that the franchisee be compensated for the fair market value of the franchisee's inventory, supplies, equipment and furnishings purchased from the franchisor or a supplier designated by the franchisor; provided that personalized materials which have no value to the franchisor need not be compensated for. If the franchisor refuses to renew a franchise for the purpose of converting the franchisee's business to one owned and operated by the franchisor, the franchisor, in addition to the remedies provided in this paragraph, shall compensate the franchisee for the loss of goodwill. The franchisor may deduct from such compensation reasonable costs incurred in removing, transporting and disposing of the franchisee's inventory, supplies, equipment, and furnishings pursuant to this requirement, and may offset from such compensation any monies due the franchisor.

Effective Date _____

SCHEDULE "A-3"
TO THE FDD

ADDENDUM TO THE FDD
FOR THE STATE OF FOR THE STATE OF ILLINOIS

Illinois Law governs the franchise agreement(s).

"The franchisor has agreed to post a surety bond equal to the sum of initial fees times the number of franchises to be sold in Illinois, pursuant to Section 200.505 of the Illinois Administrative Rules. This surety bond requirement is imposed by the Illinois Attorney General's Office based on the franchisor's financial statements."

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

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

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

IN WITNESS WHEREOF, the Franchisor and Franchisee have respectively signed and sealed this Franchise Agreement as of _____.

FRANCHISEE	**Crumbl Franchising, LLC**
By:_____	By: _____
Its	Its

SCHEDULE "A-4"
TO THE FDD

STATE REGULATIONS
FOR THE STATE OF INDIANA

Notwithstanding anything to the contrary set forth in the disclosure document, the following provisions shall apply to all franchises offered and sold in the State of Indiana:

1. 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 therein as material breach of the Franchise Agreement, shall apply to the franchise agreement in the State of Indiana to the extent they may be inconsistent with such prohibition.

2. Liquidated damages and termination penalties are prohibited by law in the State of Indiana and, therefore, the disclosure document and franchise agreement are amended by the deletion of all references to liquidated damages and termination penalties and the addition of the following language to the original language that appears therein:

> "Notwithstanding any such termination, and in addition to the obligations of the Franchisee as otherwise provided, or in the event of termination or cancellation of the Franchise Agreement under any of the other provisions therein, the Franchisee nevertheless shall be, continue and remain liable to Franchisor for any and all damages which Franchisor has sustained or may sustain by reason of such default or defaults and the breach of the Franchise Agreement on the part of the Franchisee for the unexpired Term of the Franchise Agreement.
>
> At the time of such termination of the Franchise Agreement, the Franchisee covenants to pay to Franchisor within 10 days after demand as compensation all damages, losses, costs and expenses (including reasonable attorney's fees) incurred by Franchisor, and/or amounts which would otherwise be payable thereunder but for such termination for and during the remainder of the unexpired Term of the Franchise Agreement. This Agreement does not constitute a waiver of the Franchisee's right to a trial on any of the above matters."

3. No release language set forth in the disclosure document or franchise agreement, shall relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana.

4. To the extent required by the franchise laws of the State of Indiana, the franchise agreement will be construed in accordance with the franchise laws of the State of Indiana.

5. The provisions of the franchise agreement pertaining to litigation jurisdiction and venue shall be amended to be within the scope of the requirements of the Indiana Franchise laws.

SCHEDULE "A-5"
TO THE FDD

STATE REGULATIONS
FOR THE STATE OF MARYLAND

ITEM 17 of the Disclosure document is amended to add the following:

- The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

- A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

- Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

- Maryland law shall prevail.

- The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law.

- All 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.

FRANCHISOR:
CRUMBL FRANCHISING, LLC

By: _____
Its, _____

FRANCHISEE:

By: _____
Name & Title: _____

INDIVIDUALS:

Signature: _____
Print Name: _____

Signature: _____
Print Name: _____

SCHEDULE "A-6"
TO THE FDD

STATE REGULATIONS
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.

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

1. A prohibition on the right of a franchisee to join an association of franchisees.

2. A requirement that a franchisee assent to a release, assignment notation, 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.

3. A provision that permits a franchisor to terminate a franchise before 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 failure after being given written notice thereof and a reasonable opportunity, which in no event need to be more than 30 days, to cure failure.

4. 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 after to the expiration of the franchise or the franchisee does not receive at least 6 months' advance notice of franchisor's intent not to renew the franchise.

5. 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.

6. A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

7. 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:

a. The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

b. The fact that the proposed transferee is a competitor of the franchisor or sub franchisor.

c. The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

d. 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.

8. 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 franchisor 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).

9. 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 may be directed to the following address:

Michigan Attorney General's Office
Consumer Protection Division
525 W. Ottawa Street
Lansing, MI 48909
Telephone: (517) 373-7117

SCHEDULE "A-7"
TO THE FDD

STATE REGULATIONS
FOR THE STATE OF MINNESOTA

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

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

The disclosure document, franchise agreement, and other related agreements are amended to conform to the following:

1. Governing law, choice of forum, and jurisdiction and venue provisions of the disclosure document and franchise agreements are amended to include the following:

   > Minnesota statute ' 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the 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 or the jurisdiction.

2. With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. ' 80C.14, subdivisions 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

3. As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), franchisor will reimburse the franchisee for any costs incurred by the franchisee in the defense of the franchisee's right to use the Marks, so long as the franchisee was using the Marks in the manner authorized by franchisor, and so long as franchisor is timely notified of the claim and is given

the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

4. Minnesota Rule Part 2860.4400D prohibits requiring 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 Minnesota, or consenting to liquidated damages, termination penalties or judgment notes.

5. The disclosure document and franchise agreements are hereby amended to exclude from any release requirements the release of claims under Minnesota Franchise Law.

6. Any limitation of claims must comply with Minn. Stat. ' 80C.17, subdivision 5.

_____

Franchisee (Signature)

SCHEDULE "A-8"
TO THE FDD

STATE REGULATIONS
FOR THE STATE OF NEW YORK

1. The FDD Cover Page is amended as follows:

▪ **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 STREET, 21ST FLOOR, NEW YORK, NEW YORK 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. ITEM 3 of the disclosure document is amended by the addition of the following language:

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, misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought

by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. ITEM 4 of the disclosure document is amended to state that:

- Neither the franchisor, its affiliate, its predecessor, officers, or general partner, during the 10- year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the Bankruptcy Code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

4. ITEM 5 of the disclosure document is amended to add the following:

- The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. 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), titled "**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.

6. 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.

7. The following is added to the end of the "Summary" section of ITEM 17(j), titled "**Assignment of contract by franchisor**":

- However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. The following is added to the end of the "Summary" section 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.

SCHEDULE "A-9"
TO THE FDD

ADDENDUM TO THE DISCLOSURE DOCUMENT
STATE REGULATIONS
FOR THE STATE OF NORTH DAKOTA

The disclosure document, franchise agreement, and other related agreements are amended to conform to the following:

1. Item 17 of the Disclosure Document is amended as follows:

- No general release shall be required as a condition of renewal and/ or transfer which is intended to exclude claims arising under North Dakota Franchise Investment Law Section 51-19-09.

- In case of any enforcement action, the prevailing party is entitled to recover all costs and expenses including attorneys' fees.

- The statute of limitations under North Dakota Law will apply.

- Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of North Dakota except in limited instances as provided by law.

- A provision requiring litigation or arbitration to be conducted in a forum other than North Dakota is void with respect to claims under North Dakota Law.

- In the event of a conflict of laws, North Dakota Law will control.

- Franchisee may not assent to a waiver of rights to a jury trial, waiver of rights to exemplary or punitive damages, or waiving his rights to any procedure, forum, or remedies provided for by the laws of North Dakota, or consenting to liquidated damages, termination penalties or judgment notes

SCHEDULE "A-10"
TO THE FDD

STATE REGULATIONS
FOR THE STATE OF RHODE ISLAND

The following language applies to any franchise agreement issued in the State of Rhode Island:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act dictates 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."

Section 19-28.1-15 of the Rhode Island Franchise Investment Act states that, "A condition, stipulation or provision requiring a franchisee to waive compliance with or relieving a person of a duty or liability imposed by a right provided by this Act or a rule or order under this Act is void. An acknowledgement provision, disclaimer or integration clause or a provision having a similar effect in a franchise agreement does not negate or act to remove from judicial review any statement, misrepresentations or action that would violate this Act or a rule or order under this Act. This section shall not affect the settlement of disputes, claims or civil lawsuits arising or brought under this Act."

SCHEDULE "A-11"
TO THE FDD

STATE REGULATIONS
FOR THE COMMONWEALTH OF VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Crumble Franchising, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosures.

The following statements are added to Item 17.h:

> Under 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 grounds for default or termination stated in the franchise agreement and area developer 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.
>
> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the franchise agreement and area developer agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

SCHEDULE "A-12"
TO THE FDD

ADDENDUM TO THE FDD
FOR THE STATE OF WASHINGTON

The state of Washington has a statute, RCW 19.100.180 which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

A release or waiver of rights executed by a franchisee will not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

SCHEDULE "A-13"
TO THE FDD

ADDENDUM TO THE DISCLOSURE DOCUMENT
FOR THE STATE OF WISCONSIN

Notwithstanding anything to the contrary set forth in the Disclosure Document, the following provisions shall supersede and apply to all franchises offered and sold in the State of Wisconsin:

1. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF SECURITIES OF THE STATE OF WISCONSIN.

2. The following shall apply to Franchise Agreements in the State of Wisconsin:

   a. The Wisconsin Fair Dealership Act, Wisconsin Statues, Chapter 135 (the "Act"), shall apply to and govern the provisions of Franchise Agreements issued in the State of Wisconsin.

   b. The Act's requirements, including that in certain circumstances a Franchisee receive ninety (90) days' notice of termination, cancellation, non-renewal or substantial change in competitive circumstances, and sixty (60) days to remedy claimed deficiencies, shall supersede the provisions of Section VIII of the Franchise Agreement to the extent they may be inconsistent with the Act's requirements.

EXHIBIT "A"
TO THE FDD

FRANCHISE AGREEMENT

™

FRANCHISE AGREEMENT

By and Between

CRUMBL FRANCHISING, LLC

and

_____

(Franchisee)

© FBLG 2010

CRUMBL™
FRANCHISE AGREEMENT

TABLE OF CONTENTS

ARTICLE		**PAGE**
ARTICLE I	AWARD OF FRANCHISE	4
ARTICLE II	TERM AND SUCCESSOR FRANCHISE	5
ARTICLE III	INTELLECTUAL PROPERTY	6
ARTICLE IV	CONSTRUCTION, COMMENCING OPERATIONS AND LEASE	9
ARTICLE V	FEES AND REPORTS	11
ARTICLE VI	FRANCHISEE'S OPERATIONAL COVENANTS	14
ARTICLE VII	FRANCHISOR'S OPERATOINAL ASSISTANCE	21
ARTICLE VIII	PURCHASE OF PRODUCTS	23
ARTICLE IX	MANUALS	24
ARTICLE X	MARKETING	24
ARTICLE XI	BREACH AND TERMINATION	26
ARTICLE XII	TERMINATION AND EXPIRATION	30
ARTICLE XIII	PURCHASE OPTION	32
ARTICLE XIV	SALES OR TRANSFERS OF THE FRANCHISE	33
ARTICLE XV	RELATIONSHIP OF THE PARTIES	37
ARTICLE XVI	COVENANT NOT TO COMPETE	38
ARTICLE XVII	DISPUTE RESOLUTION	39
ARTICLE XVIII	NOTICES	42
ARTICLE XIX	CONSTRUCTION AND JURISDICTION	43
ARTICLE XX	MISCELLANEOUS	44
ARTICLE XXI	DEFINITIONS	46

Exhibits

A-1	Territory
A-2	Company Representations and Warranties
A-3	Fees
A-4	Principal Confidentiality and Non-Competition Agreement
A-5	Management Employee Confidentiality and Non-Competition Agreement
A-6	Employee Confidentiality Agreement
A-7	Landlord's Consent to Assignment
A-8	Financier or Lessor's Consent to Assignment
A-9	Authorization Agreement for Direct Payments (ACH Debits)
A-10	State Specific Addenda
A-11	Guaranty and Assumption of Obligations

Crumbl Franchising, LLC
FRANCHISE AGREEMENT
(_____)
(Franchisee)

THIS FRANCHISE AGREEMENT ("Agreement") is entered into and made effective as of _____ by and between **CRUMBL FRANCHISING, LLC**, a Utah limited liability company ("Franchisor" or "We," "Us" or "Our" as further defined in Article XXI below) and _____ ("Franchisee" or "You" or "Your" as further defined in Article XXI below).

WHEREAS, We have developed a system for the operation of a cookie delivery business known as Crumbl™, offering to the public warm cookies and other related products and services ("Franchise Business" or "Crumbl™ Business"). The system Includes, the Franchise Business, specific Marks, interior design, store layout and décor, color schemes, standards, Manuals, recipes, menus, processes, services, know-how, operating procedures and Marketing concepts, business formats, specifications for and the use of certain equipment, the sale of products, food and supply items, and the use of proprietary and Confidential Information and other Intellectual Property ("System" or the "Crumbl™ System"); and

WHEREAS, We will provide You with Our confidential Manuals and other materials as created by Us;

WHEREAS, You are desirous of entering into an agreement with Us so as to be able to obtain the rights to operate a Franchise Business using the System developed by Us;

WHEREAS, You declare that You have fully investigated and familiarized Yourself with the essential aspects and purposes of the Franchise Business and System and have been advised by counsel chosen by You of the terms and conditions of this Agreement and understand that Your consistent and uniform presentation of the System and Franchise Business are essential;

WHEREAS, Fees due under this Agreement are set forth on Exhibit A-3 to this Agreement; and

WHEREAS, Article XXI contains certain definitions which apply to this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, recitals, obligations, terms and conditions herein contained, and the acts to be performed by the respective parties hereto, the parties hereto agree as follows:

ARTICLE I
AWARD OF FRANCHISE

1.1 Award of Franchise. We hereby grant to You, and You accept, subject to the terms, conditions and obligations herein, the non-exclusive, non-transferrable, non-sublicenseable personal right to establish and conduct a Franchise Business as a franchisee and the right to use the System and the Marks only as specifically set forth herein. This right is granted for use only at a single location approved by Us ("Premises") within Your Territory as set forth on Exhibit A-1 attached hereto and by reference made a part hereof ("Territory"). You agree to operate Your Franchise Business at the

Premises within the Territory approved by Us in strict compliance with the terms and conditions of this Franchise Agreement and the Manuals.

1.1.1 Territory Rights. Except as set forth in Section 1.3 below, We will not establish or operate a traditional company-owned outlet, or grant to any person or entity a franchise within the Territory using the same or similar System as that licensed by this Agreement. We will generally not place another Crumbl™ unit within 2 miles of Your Premises, but this may be adjusted depending on the density of the population and the location of Your Premises.

1.1.2 Population Increase. We may also adjust the boundaries of Your Territory if the population in Your Territory increases to a total of 100,000 residents or more.

1.2 Scope of Franchise Operations. You must at all times comply with Your obligations hereunder and must continuously use Your best efforts to promote and operate Your Franchise Business.

1.3 Franchisor Reservation of Rights. All rights not specifically granted to You in this Agreement are reserved to Us. Nothing contained herein will prevent Us from granting the right to establish or operate, or Us establishing, owning and operating a Franchise Business or similar operation outside of the Territory. Additionally, We may open, within or outside Your Territory, outlets located in non-traditional locations, Including airports, national accounts, convention centers, sporting arenas, bookstores, malls, grocery and convenience stores, or other similar locations that We or Our affiliate may develop in the future at Our sole discretion. Furthermore, We and Our affiliates expressly reserve the right to sell, Market and distribute all Crumbl™ products in Your Territory and elsewhere using other Marketing strategies and distribution channels Including the Internet, apps, Social Media, catalog sales, direct sales, retail or wholesale outlets, and/or co-branding with others without compensation to You. You may not sell Our products and/or services using such reserved Marketing strategies and distribution channels without Our prior written permission. You expressly acknowledge and agree that this license is non-exclusive, and that We retain, among other rights, the right, in Our sole discretion: 1) to grant other franchises or licenses for use of Our trademarks in addition to those already granted to existing franchisees; 2) to develop and establish other franchises or licensed systems for the same or similar products or services utilizing the same or similar marks, or any other marks and to grant franchises or licenses thereto; and 3) to use the licensed Marks in connection with the manufacture and sale of products at wholesale and retail.

1.4 Entity Franchisee. If You are operating as a partnership or other entity, You must designate the principal contact (the "Operating Principal" as defined below) in connection with Your Franchise Business. This principal contact must be a general partner, manager or controlling shareholder, and must be listed on Exhibit A-2. Your Operating Principal must have at least 25% ownership in Your franchisee entity. Company Representations and Warranties. Your Operating Principal has the authority to speak for and bind You in all matters pertaining to this Agreement and Your Franchise Business. You agree not to use Our Marks or any other name similar thereto in the name of any partnership or entity owned or formed by You, whether to own or operate Your Franchise Business or otherwise. However, You are required to file a DBA as set forth in Section 3.9.

1.5 Restriction of Rights. The rights and privileges granted to You under this Agreement are personal in nature. This Agreement is granted solely for the operation of a Franchise Business at the Premises, and will not extend to the operation of a Franchise Business or any other use of the System from any other location within or outside Your Territory, or in any other manner, except as

may be allowed by this Agreement. You cannot operate any other business from the Premises other than the Franchise Business.

1.6 Minimum Gross Sales Levels. Starting in the second year of Your Franchise Business, or the first full calendar year in which You are in business, You are required to achieve a minimum of $100,000 in annual Gross Sales ("Minimum Sales Level") for each year Your Franchise Business is open. In the event You fail to meet the Minimum Sales Level in any given year, You are required to initiate preparation of a sales performance plan ("Performance Plan") and strictly coordinate with Us in developing the Performance Plan. This Performance Plan will outline requirements You must implement into Your Franchise Business and a period of time in which You have to meet the Minimum Sales Level. Failure to strictly comply with the Performance Plan may result in Termination of this Agreement.

1.7 National Accounts. We expressly reserve the right to sell, Market and distribute the Crumbl™ products and related products to all National Accounts, both within and without the Territory. A "National Account" is defined as a company with multiple units or outlets located in more than one geographical area or territory. We will designate if and how franchisees will sell or service National Accounts.

ARTICLE II
TERM AND SUCCESSOR FRANCHISE

2.1 Term. This Agreement will be effective when executed by both You and Us. The franchise term will be for a period of 5 years, unless terminated earlier pursuant to Article XI herein. If We are required by law or otherwise to give You notice before the Termination of this Agreement, and fail to do so, this Agreement will remain in effect from month-to-month until We have given the required notice. Termination of the Premise Lease for any reason will automatically terminate this Agreement.

2.2 Successor Franchise. If You are not in default of the terms and conditions hereof and have: 1) complied with and timely met material terms and conditions of this Agreement throughout the initial term; 2) complied with Our material operating and quality standards and procedures and any required modification to such standards and procedures; 3) timely paid all monetary obligations owed to Us during the term of this Agreement; and 4) You are not subject to any pending litigation or governmental proceeding which could have a material adverse effect upon You or Your Franchise Business, You have the right to be awarded a successor franchise ("Successor Franchise") upon the expiration of the original term for an additional term of 10 years by giving Us written notice by: certified mail, personal delivery, or via email with a confirmed delivery and read receipt**,** at least 180 days and not more than 1 year prior to the expiration date of the term hereof. Upon receiving Your election to enter into a Successor Franchise, We will have 45 days to provide written notice in the event You do not qualify for a Successor Franchise. Your Successor Franchise Agreement will also provide for a successive franchise term. Your failure to give such notice will constitute an election not to enter into a Successor Franchise Agreement (defined below). If You fail to enter into a Successor Franchise Agreement for any reason but continue to operate Your Franchise Business, at Our election You will be deemed to have renewed on a month-to-month basis, and You agree that You will be required to abide by Our then-current fees for royalty, Marketing, and other Fees as set out in the Manuals. Your month-to-month Franchise Business may be terminated only by Us upon 30 days' prior written notice to You for any reason whatsoever.

2.2.1 Commencement Date for Successor Franchise Term. Unless another date is specified in a Successor Franchise Agreement, which date will supersede, said Successor Franchise term Including, any month-to-month term, will commence on the day following the expiration date of the initial or applicable Successor Franchise term.

2.2.2 Notice of Non-Approval. If We, after receipt of Your notice of election, decide for good cause, not to approve the Successor Franchise, We will give You such notice of non-approval as required by law.

2.2.3 Successor Franchise Agreement. If approved as a Successor Franchise, You will be required to execute Our then-current form of Our successor franchise agreement ("Successor Franchise Agreement") Including personal guarantees and to sign a general release of all claims against Us arising from this Agreement, the relationship created herein or Your Franchise Business. If You fail to execute such a release, the signing of the Successor Franchise Agreement will be the equivalent of the granting of such a release. The Successor Franchise Agreement will supersede in all respects the terms and conditions of this Agreement, and You will be obligated to pay royalties and other continuing Fees at the then-existing levels required to be paid by new franchisees. You must sign and return to Us the Successor Franchise Agreement within 90 days prior to the expiration of this Agreement, or You will, at Our election, be deemed to have withdrawn Your request to enter into a Successor Franchise Agreement and this Agreement will terminate at the expiration of the term then in effect. **It is acknowledged by You that You will be bound by the form of the Successor Franchise Agreement in effect at the time, which may contain economic, royalty, Marketing and other Fees and charges, territorial, and other changes in material provisions different from those contained in this Agreement, Including terms affecting payments to Us or Our affiliates.** You will make all necessary arrangements to continue the occupancy of Your existing Premises through the Successor Franchise term(s), unless We give written permission to relocate Your Premises. You acknowledge and agree that We can require You, at Your expense, to reasonably renovate, remodel, redecorate, resign, refixture, upgrade, and/or otherwise refurbish Your Franchise Business and Premises to the extent and in the manner specified by Us to conform with and bring it up to the standards and image as We determine. Unless otherwise waived by Us, such improvements must be made within 6 months of signing the Successor Franchise Agreement.

2.2.4 Successor Franchise Fee. If approved for a Successor Franchise, You must pay to Us a non-refundable Successor Franchise fee of $2,500 (see Exhibit A-3), payable in full at the time of execution of the first Successor Franchise Agreement.

2.2.5 Successor Franchise Training. You, Your Operating Principal, and Your designated manager(s) may also be required to attend and successfully complete any training, certification and other programs at such times and locations as We specify. You may be required to cover the expense of travel, meals, lodging, and other related costs for such training.

ARTICLE III
INTELLECTUAL PROPERTY

3.1 Intellectual Property. You acknowledge that: 1) We have the sole rights in and to the System; 2) Your right to use the System is granted by Us solely pursuant to the terms of this Agreement; and 3) as between You and Us, We have the sole right to license and control the Marks, System, and all copyrights, Confidential Information, trade names, trade dress, and other Intellectual Property.

3.2 Use of Intellectual Property. You have a non-exclusive right to use the Marks and other Intellectual Property only in connection with Your Franchise Business and in accordance with Our Manuals and this Agreement. You understand and agree that the use of the Intellectual Property, System and goodwill are all temporary benefits and expire with the Termination of this Agreement. You expressly covenant that during the term of this Agreement and after the Termination thereof, You will not: 1) directly or indirectly contest or aid in contesting the validity of Our ownership of, or rights in, the Intellectual Property; 2) in any manner interfere with or attempt to prohibit Our use of the Intellectual Property and derivatives thereof or any other name, trademark or service mark that is or becomes a part of Our System; or 3) interfere with the use of the Intellectual Property by Our other franchisees or licensees at any time. You agree to use the Intellectual Property and System only in connection with the operation of Your Franchise Business and only in the manner allowed by this Agreement.

3.3 Our Marks. You acknowledge that as between You and Us, the Marks and derivatives thereof are valid trade names, trademarks and service marks owned by Us or licensed to Us.

3.4 Use of Marks. You will only use Our Marks licensed by this Agreement and only with the letters "TM," "SM" or "®," as appropriate, approved, and as instructed by Us, whenever and wherever such Marks are used. You will not use Your own name or any other name service or product in connection with any of Our Marks without Our prior written consent. You are prohibited from using any Mark in connection with the performance or sale of any unauthorized service or product or online or at any location not approved in writing by Us. You agree not to use the Marks in any manner that would or may cause the Marks or the System to be subject to any ill repute or negative publicity. You will not use the Marks on any inter-company documents to identify Your Franchise Business or entity (Including in or on employee manuals, handbooks, emails, letterhead) or on business checks or bank accounts. All communications with Your employees will be under Your entity name.

3.4.1 Cooperation. You agree to execute any and all additional papers, documents and assurances in connection with the Marks as reasonably requested by Us and agree to fully cooperate with Us and any of Our other franchisees or licensees in securing all necessary and required consents of any state agency or legal authority for the use of the Marks or any other name, trademark, service mark, logo or slogan that is now or later becomes a part of Our System. You further agree to immediately notify Us as soon as You become aware of any infringement or apparent or alleged infringement of the Marks or any part of the Intellectual Property.

3.4.2 Use in Marketing. You have the right to use the Marks in Your Marketing efforts only as set forth in Article X.

3.4.3 Modification of Marks. You agree that We have the right, in Our reasonable discretion, to require You to change, modify or discontinue the Marks or to use one or more additional trademarks, service marks, logo types and/or other symbols in connection with the operation of the Franchise Business. In that event, You agree to bear the cost of using such additional or modified Marks or items in accordance with Our reasonable directives.

3.4.4 No Registration. You agree not to make application for registration or other protection of any of the Marks, or any other trademarks, service marks, symbols, names, slogans, logos, trade names or any items that are similar or derivatives therefrom in any jurisdiction without Our prior written consent and then only upon the terms and conditions specified by Us in connection therewith.

3.5 Copyrights. All right, title and interest in and to all materials, artwork, and designs used with the Marks or in association with the System ("Copyrighted Materials") are Our sole and exclusive property and cannot be reproduced or replicated either during or after this Agreement.

3.6 Manuals. You agree that the Manuals and other materials and documents provided to You by or through Us will remain Our sole property. You acknowledge that Our recipes, menus, formulations, product specifications and the contents of the Manuals provided to You by or through Us, and Your knowledge of Our recipes, menus, formulations, ingredients, processes, services, products, know-how and the System, are secret, unique and/or confidential and contain trade secrets and other material proprietary to Us. You agree not to disclose the contents of the Manuals and proprietary items or materials set forth above to unauthorized persons and to follow the procedures set forth in Section 3.10 below to prevent unauthorized disclosure to any person. Such disclosure would cause irreparable harm. You agree to return all Manuals and all copies of all or any parts thereof and all other documents containing confidential or proprietary information to Us upon Termination of this Agreement or at such times as may otherwise be directed by Us. You agree not to copy or otherwise duplicate in any format Our Manuals recipes, formulas or any other proprietary materials.

3.7 Sole Control. You agree that, as between You and Us, We will have the sole control over any legal or administrative action concerning the proprietary names and Marks and other Intellectual Property. You must promptly notify Us in writing of any unauthorized use of our Intellectual Property, or of any claim, demand or suit by any person, corporation or other entity based upon or in connection with any of the Intellectual Property licensed hereunder in which We have an interest. In the event We undertake the defense or prosecution of any litigation pertaining to any such Intellectual Property, You agree to execute any and all documents and do such acts and things as may, in the opinion of Our counsel, be necessary to carry out such defense or prosecution. If We fail to undertake action within a reasonable time after receipt of Your notice regarding any such claim, demand or suit, then You may, with Our prior written consent (but You will not have the obligation) to undertake the defense of any such proceeding and will do so at Your sole cost and in strict coordination and oversight with Us, and You may not do any act or make any claim which is contrary to or in conflict with Our rights in the Intellectual Property.

3.8 Goodwill. You acknowledge that valuable goodwill is attached to the Marks and System, and that You will use the same solely in the manner prescribed by Us and will carry out Your Franchise Business under such names and Marks in accordance with operational standards established by Us from time to time. Any and all goodwill associated with the Marks and System that might be deemed to have arisen through Your activities, is Our sole property and inures directly and exclusively to Our benefit, except as otherwise provided herein or by applicable law.

3.8.1 Customer Data. Any and all customers, and customer and potential customer data and lists ("Customer Data") even if deemed to have arisen through Your activities, is Our sole property and inures directly and exclusively to Our benefit, except as otherwise provided herein or by applicable law. You have a royalty-free non-exclusive right to use the Customer Data during the term of this Agreement. You must provide Us copies of all Customer Data upon request. You agree to abide by all applicable laws pertaining to the privacy of consumer, employee and transaction information, and if We allow You to use the Customer Data to transmit advertisements to customers and potential customers, You will be solely responsible to comply with the laws pertaining to the sending of emails or other transmission of information, Including any anti-spam legislation.

3.9 Use of Name. Within 30 days of signing this Agreement, You must file for a certificate of assumed or fictitious name or a "doing business as" name ("DBA") in the manner required by the law in the state where Your Franchise Business is located so as to notify the public that You are operating Your Franchise Business as an independent business pursuant to this Agreement, and Include Your assigned franchise unit designation in such filing. You shall not use the name Crumbl as part of your company or entity name except in your DBA as required herein. We must approve your DBA before You file it. Failure to do so is a default of this Agreement. You must provide Us with a copy of Your DBA registration and/or certificate upon receipt of the same, and upon Our request from time to time. You will display a standard sign and/or plaque, as may be provided or required by Us, at Your Franchise Business location indicating that the business is independently operated and owned as a franchised business.

3.10 Maintaining Secrecy. You agree to: 1) fully and strictly adhere to all security procedures prescribed by Us in Our sole discretion for maintaining the secrecy of proprietary information; 2) disclose such information to Your employees only to the extent necessary to market Our products and services and for the operation of the Franchise Business in accordance with this Agreement; 3) not use any such information in any other business or in any manner not specifically authorized or approved in writing by Us; and 4) exercise the highest degree of diligence and make every effort to maintain the absolute confidentiality of all such information during and after the term of this Agreement.

3.11 Changes to the System. If You or We, during the term of this Agreement or any interim period, conceive or develop any improvements, changes, modifications, enhancements or additions to the System, Copyrighted Materials, Manuals, website, Social Media, Marketing materials, apps, or any other documents or information pertaining to or relating to the System, or any Intellectual Property related to the System or any creative concepts, Marketing and promotional ideas or inventions related to the System, whether implemented in the System or not, (collectively the "Improvements"), You will fully disclose the Improvements to Us, without disclosing the Improvements to others and will obtain Our written approval before using or implementing the Improvements. All Improvements You create will be owned by Us and considered a "work-for- hire" as defined in Section 101 of Title 17 of the United States Code (the "Copyright Act"). If all or part of any Improvement or a derivative thereof, which You create is, for any reason, deemed not to be a work-for-hire, then You hereby irrevocably transfer and assign to Us or Our affiliate, all right, title, interest and ownership Including license rights, in the Improvement or derivative, and You agree to execute any document necessary to effectuate the transfer and assignment. To the extent You have any moral or similar rights in an Improvement or derivative, You expressly waive those rights. Any Improvement may be used by Us and all other franchisees without any obligation to compensate You. We reserve the right to make application for and own Intellectual Property relating to any such Improvement, and You will cooperate with Us in securing these rights. We may also consider any Improvement as Our trade secrets. At Our discretion, We may authorize You to utilize any Improvement that may be developed by You, Us or other franchisees.

ARTICLE IV
CONSTRUCTION, COMMENCING OPERATIONS AND LEASE

4.1 Location of Premises. You are required to purchase or lease suitable real property from which to operate Your Franchise Business within 3 months of signing this Agreement. You must not commit to purchase or lease any real property or commence construction unless and until You have

Our written approval of the proposed location. Unless waived by Us in writing, You must hire a local real estate broker familiar with retail/restaurant tenant representation to help You locate a site. Your Premises must strictly comply with local zoning, state, and federal laws, rules and regulations.

4.1.1 Location Approval. We must approve Your proposed location. However, it will be Your responsibility, at Your sole cost and expense, to select Your Premises site within Your Territory. You must provide Us with the street address of the proposed site and such other information as We request, Including pictures or existing brochures of the proposed site. Our decision to approve or disapprove the proposed site is based upon the following general criteria: competition, access, appearance, visibility, traffic patterns, surrounding businesses, general population, parking, square feet and general vicinity. **We do not prepare demographic studies or otherwise evaluate the potential success of Your proposed site, nor do We provide You with a site checklist or other similar information, and We do not warrant or guarantee the success of the location or site.** Location approval should be completed by Us within 2 weeks after You have notified Us that You have selected a prospective location.

4.2 Construction. Any construction of the Premises must be done in strict accordance with the specifications approved by Us, but it is Your responsibility to verify that the plans conform to federal, state and local laws. You must commence construction within 4 months from the signing of this Agreement, and construction must be completed within 5 months from the date hereof.

4.2.1 Design of Premises. You are required to follow Our interior and exterior design specifications for the exterior and interior finish of Your Premises, as set forth in Our Manuals, at Your cost.

4.2.2 Abandonment of Construction. Abandonment of construction or stoppage of construction for 4 or more weeks due to Your fault or neglect will be grounds for terminating this Agreement.

4.2.3 Approval of Construction. You may not operate Your Franchise Business if construction, improvements and fixturization do not conform to Our approved specifications and failure to correct any unauthorized variance for such plans and specifications within 30 days after written notice from Us will be grounds for terminating this Agreement. We have the right to supervise and inspect all construction to assure compliance with approved plans and specifications.

4.3 Commencing Operations. You are required to commence operations not later than 30 days following completion of Your Premises and in no case later than 6 months from signing this Agreement. You must give Us not less than 30 days' prior written notice of the opening date. We have the right to inspect and approve Your Premises and other aspects of Your operations relating to Your compliance with this Agreement prior to opening.

4.3.1 Failure to Commence Operations. If You fail to commence operations as provided above, this Agreement is subject to termination by Us, at Our option. You will not receive a refund if You are unable to find an approved location.

4.4 Equipment. You are required to obtain by purchase or lease all inventory, tools, vehicles, and equipment in accordance with Our specifications and as may be necessary for proper and efficient operation of Your Franchise Business and to maintain such inventory, tools, vehicles, and equipment in good working order.

4.5 Lease.

4.5.1 Premises. You must provide Us with written notice of the location and mailing address of Your Premises. We have the right to review all leases relating to Your Franchise Business prior to execution. Any lease or other document of occupancy of the Premises (the "Lease") must include a provision allowing the assignment of the Lease to Us or Our nominee, at Our option, in the event this Agreement is Terminated for any reason. You must also deliver an executed copy of the Lease to Us within 15 calendar days after execution. If You own the Premises, You hereby agree to lease the facilities to Us upon Termination of this Agreement at a rental not to exceed its fair market rental value, and on commercially reasonable terms and conditions.

4.5.2 Assignment of Lease. You hereby assign and transfer all rights and interest in and to the Lease to Us to be effective, upon Our election when this Agreement Terminates. In such event, We will have the right, but not the obligation, to accept the assignment and assume the Lease or execute a lease with You as provided below. We also have the right to assign the Lease to another franchisee. You are required to have Your landlord consent to an assignment of a Lease before the Lease is signed. You and Your Landlord may be required to complete and sign a rider or addendum to the Lease agreement that: (i) grants Us an option to assume Your position as a lessee under the Lease if You are in material default of either the Lease agreement or this Agreement; and (ii) requires the Landlord to fully cooperate with Us in completing de-identification of the Premises and Franchise Business if this Agreement is Terminated for any reason. The Landlord's consent is attached hereto as Exhibit A-7 and by reference made a part hereof.

4.5.3 Assumption of Lease. We will have 45 days from the date of Termination of this Agreement, to exercise Our right and option to take and assume the Lease for the Premises. If the option is exercised, We will notify You and the Landlord of Our exercise within the option period. In such event, You agree to bring all obligations under the Lease current as of the date of possession by Us, as well as to indemnify Us against all losses and costs arising by virtue of, attributable to, or in any way related to, the period of Your possession of the Premises. All taxes, utilities and rentals will be prorated between Us and You as of the date of Our possession. We will not be obligated to pay Your arrearages. After the date of possession, We agree to indemnify You against all Lease obligations solely attributable to the period of Our possession of the Premises. You agree that no compensation for the Lease is payable by Us to You unless the Premises are owned by You. The Lease will be transferred to Us without the payment of any kind to You by Us for the Lease other than the indemnification provided above.

4.6 Relocation of Premises. You are not allowed to relocate Your Premises without Our prior written approval. You must give Us at least 60 days' notice of Your intent to relocate. Approval to relocate will be based upon the same criteria used in approving a new franchisee's proposed site.

ARTICLE V
FEES AND REPORTS

5.1 Initial Franchise Fee. You shall pay to Us an initial franchise fee of $25,000 (see Exhibit A-3) in one lump sum at the time of execution of this Agreement. The initial franchise fee must be paid by wire transfer or certified check. The initial franchise fee is fully earned by Us and is non-refundable. No rights or privileges under this Agreement will exist until the initial franchise fee is paid in full.

5.1.1 Additional Franchises. During the term of this Agreement, You may purchase additional franchises at a discounted rate of $20,000. This option will only be available to You if there are franchise territories available, You meet Our then-current criteria for new franchisees, You are current and not in default of this Agreement, and, in Our sole discretion, We determine to sell You another franchise. In such case, You will be required to sign Our then-current franchise agreement, which may have terms different from this Agreement.

5.2 Royalty. You shall pay to Us a non-refundable on-going weekly royalty of 7% of Your Gross Sales (see Exhibit A-3). The royalty is in consideration of Your right to use the Intellectual Property and the System in accordance with this Agreement, and not in exchange for any specific services We render.

5.2.1 Change in Law. In the event there is a change in the law or a discovery of a law affecting the collection of royalties, You agree to allow Us to modify which sales of products, goods or services sold or rendered by You will be calculated as "Gross Sales." In no event will the modification of royalties result in Your payment in excess of the royalty set forth above in Section 5.2.

5.3 Marketing Fees.

5.3.1 Marketing Fund. In addition to the initial franchise fee and ongoing royalty, You shall pay to Us a weekly Marketing fee of 3% (see Exhibit A-3) of Your Gross Sales for Our Marketing and promotion programs.

5.4 Calculation and Reporting. The calculation, reporting and payment of the royalty and Marketing fee specified in Sections 5.2 and 5.3 above will be made as follows:

5.4.1 Gross Sales Report. You shall forward to Us by email, or other electronic reporting program We may establish from time to time, not later than Tuesday of each week, a report of the financial activity of the immediately preceding week showing all monies received or accrued, sales or other services performed and such other information concerning Your financial affairs, as We may reasonably require. For purposes of this Agreement, such information will be referred to as the "Gross Sales Report." We reserve the right to require all reports to be submitted at more frequent intervals.

5.4.2 Payment Due Date. All royalty, Marketing fees and other Fees must be paid weekly, each Tuesday, in accordance with Our then-current electronic funds transfer, ACH or other automatic withdrawal program or as specifically directed by Us. Currently, the royalty and Marketing fees as shown and calculated on the Gross Sales Report are due and payable and must be received by Us or credited to Our account by pre-authorized bank debit and automatically withdrawn from Your Operating Account. Our current ACH agreement is attached hereto as Exhibit A-9 and may be modified by Us at any time in Our sole discretion. We reserve the right to require an alternative payment frequency of all royalty, Marketing, and other fees in the future.

5.4.2.1 Operating Account. You agree not to have more than one Operating Account. If You fail to timely report Gross Sales, We may automatically sweep or debit an estimated amount of royalties and Marketing fees and other Fees due to Us. You will be responsible to pay Us any amount owing if We underestimate Your payment to Us, and We will credit You with any overage that We charge. You shall maintain at all times at least $10,000 of working capital in Your Operating

Account, even after You pay royalties to Us. You shall not close or terminate Our Access to Your Operating Account without receiving Our prior written consent.

5.4.3 Late Fees. If a required Fee or report is not timely received by Us as set forth above, You may be assessed a late Fee for each day the Fees or reports are not received by Us, plus interest. These fines are due upon demand to You, and the amounts may be adjusted by Us from time to time in the Manuals.

5.4.4 Interest. In addition, all Fees not paid when due will be assessed and accrue interest from the Due Date to the date of payment, both before and after judgment at the rate of 18% per annum or the maximum rate allowed by law, whichever is less. In no event will any amounts be charged as interest or late fees or otherwise which exceed or violate any applicable legal restrictions. Unpaid interest charges will compound annually.

5.4.5 Taxes. If there is hereafter assessed any nature of sales tax or use tax or other tax on Fees or other sums previously or hereafter received by Us under this Agreement ("New Tax"), then in addition to all Fees and other payments to be made by You as provided in this Agreement, You must also pay Us or the taxing authority, a sum equal to the amount of such New Tax. Any New Tax paid to Us will be paid when due to the taxing authority.

5.5 Financial Statements. You must provide Us with monthly financial statements, Including a profit and loss statement, balance sheet, and labor and expense report, in accordance with the standard profit and loss statement template and balance sheet template required by Us to be used by You in Your Franchise Business, within 10 days of the end of the month. The financial statements and accompanying documents do not need to be prepared by Your accountant or audited unless specifically requested by Us, at Our discretion. You shall also send Us a copy of Your state and local sales tax returns by the 15th day after each quarter and a copy of Your annual income taxes by April 16th of each year.

5.5.1 Access and Use of Financial Records. We or Our certified public accountants or other duly authorized agent, will have the right during normal business hours to conduct computer and other audits and to examine and make copies of Your books, records, financial statements and sales and income tax returns, and You agree to keep complete and accurate books and records of the operation of Your Franchise Business.

5.5.2 Audit of Books and Records. In the event that any audit or investigation discloses a deficiency of 2% or more of the Gross Sales in the computation or payment of the royalty or Marketing fee due Us, You must immediately pay Us the amount of the deficiency, the appropriate fee for late charges, and You must reimburse Us for the total expense of the audit or investigation, Including, the charges for the accountant and the travel expenses, room, board and other costs incurred in connection with the audit. Your failure to report Gross Sales for any time period or Your failure to retain and have available readable and organized required records will be deemed an understatement by more than 2%.

5.6 Application of Payments. We can apply any payments received from You to any past due or then-current indebtedness of Yours for any payments owing to Us.

5.7 No Refunds. The Fees set forth in this Agreement are not refundable.

5.8 Funding. You are solely responsible for obtaining all funding for Your Franchise Business. Failure to obtain sufficient initial funding for opening Your Franchise Business is grounds for termination of this Agreement.

5.9 Non-Compliance Fines. You will be subject to fines and charges as set forth from time-to-time in the Operations Manual for non-compliance with Our mandatory policies and procedures. Such fines and charges are to be paid upon billing or in accordance with Our electronic funds or automatic withdrawal program, if established.

5.10 Technology Fees. We will provide You with one free email account for use in Your Franchise Business. If You request additional email accounts, You will pay to Us a Fee of $10 per user per month (or 'the then-current rate). You shall also pay to Us a monthly technology Fee of $350 per month for required software, a Slack account, and other technology required by Us. You shall pay to Us these Fees in accordance with Our electronic funds or automatic withdrawal program, if established, or otherwise by the first Tuesday of the month. We may update these fees periodically in Our Manual.

ARTICLE VI
FRANCHISEE'S OPERATIONAL COVENANTS

6.1 Business Operations. In addition to other obligations, requirements and covenants set forth in this Agreement, You agree as follows:

6.1.1 Compliance with Applicable Laws. You will adapt, at Your expense, the specifications to Your Franchise Business location in accordance with local, state and federal laws, rules and ordinances. You are solely responsible for ensuring compliance with all other applicable laws, ordinances and regulations or ruling of every nature whatsoever which in any way regulate or affect the operation of Your Franchise Business. You agree not to engage in any activity or practice which results, or may reasonably be anticipated to result, in any public criticism of Our System or any part thereof. You must also comply with federal, state, and local health and consumer protection laws and regulations governing the food service industry and concerning food preparation, handling, storage, truth in menu laws concerning menu item names and product labeling, food handler's permits, ServeSafe Licenses (or equivalent), nutritional claims, and local labor regulations, Including minimum age and minimum wage laws.

6.1.1.1 Licensing. You agree to obtain and maintain all required permits and licenses for the operation of Your Franchise Business. You agree to indemnify and hold Us harmless from any such violation or non-compliance. We have not made, and You have not relied on, any representation that no licenses, or only certain licenses, permits, etc., are necessary in connection with the operation of Your Franchise Business.

6.1.2 Appearance and Customer Service. You must establish and maintain the Premises in a clean, attractive and repaired condition and must give prompt, courteous and efficient service to the public and otherwise operate Your Franchise Business in strict compliance with Our System and policies, practices and procedures contained in the Manuals or otherwise communicated to You in writing and promulgated or provided to You from time to time so as to preserve, maintain and enhance the reputation and goodwill of Our System. We reserve the right to require that Your employees comply with any dress code, Mark or other brand-related standards that We may require, and/or otherwise identify themselves with the Marks at all times in the manner We specify while on a job for Your Franchise Business.

(i) You agree to arrange the fixtures, signs, furniture and décor of the Franchise Business in strict compliance with the format recommended by Us and to strictly follow the System as outlined in the Manuals and to work with Our suppliers providing such items.

(ii) In addition, equipment, products, interior décor items, furniture, fixtures, wall coverings, uniforms, and signs must be purchased from sources designated or approved by Us.

(iii) For delivery and installation, You are required to work directly with the manufacturer or services of any approved or required products, equipment, supplies and materials. We do not offer assistance in delivery or installation of any required or approved purchases.

6.1.3 Signage. You must have at least 1 exterior and 1 interior sign displaying Our Marks, and in conformance with Our prototypical signage. In addition, You agree to have the number of additional signs as provided in Our Manuals, which We may amend in Our discretion. All signs to be used on, in, or in connection with Your Franchise Business must meet Our specifications and must be approved in writing by Us prior to use by You. You agree to maintain all signs in good condition and to undertake such repairs and or replacements at Your expense as We reasonably determine to be necessary.

6.1.4 Training. Your Operating Principal and Your designated managers, if other than Your Operating Principal, are required to attend and successfully complete Our training program prior to opening Your Franchise Business (the training program is described in Section 7.4), and all other training programs as may be specified by Us from time to time for which a Fee may be charged. All attendees attending a training must sign a non-disclosure agreement acceptable to Us before attending training.

6.1.5 Other Agreements. You agree to execute all other agreements required under this Agreement or as reasonably requested by US from time to time and to provide Us with a copy within 15 days of execution.

6.1.6 Management. Your Operating Principal is required to personally participate in the direct and on-premise operation of Your Franchise Business on a full-time basis for at least the first 90 days of operation. Thereafter, Your Franchise Business must be managed by either Your Operating Principal or a designated manager who will be required to devote his or her full time, attention and best efforts to the management and operation of Your Franchise Business. You must disclose the identity of Your Operating Principal to Us and You must immediately notify Us in writing if Your Operating Principal is no longer acting in such capacity. Your Operating Principal and any designated manager (if applicable) must successfully complete and pass Our initial training program before assuming management responsibilities. Your Operating Principal is not required to work a certain number of hours; however, Your Operating Principal must maintain sufficient inventory, supplies and products, and shall work sufficient hours and employ adequate personnel so as to operate Your Franchise Business at its maximum capacity and efficiency. Your Operating Principal must devote their primary attention to the Franchise Business, and You, Your Operating Principal and Your manager(s) shall keep free from any conflicting or competing enterprises or any other activities which would be detrimental to or interfere with the operation of Your Franchise Business. You understand and agree that this Agreement is granted based on Your commitment to Your Franchise Business. The possible success of Your Franchise Business is largely a function of the time, skill and energy You

devote to it. Absentee management may significantly increase the risks associated with Your Franchise Business. Although We do not require You to be involved in the day-to-day on-premises management (except as required above), at a minimum, Your Operating Principal is required to participate in Your Franchise Business as follows:

(i) be directly responsible for all accounting, reporting and bookkeeping;

(ii) attend and complete all training and retraining courses required by Us;

(iii) attend any annual or special meetings of franchisees called by Us;

(iv) be directly involved with site selection, construction, remodeling and all financial components of the Franchise Business; and

(v) be directly involved in all personnel decisions affecting the Franchise Business.

6.1.7 Operational Hours. You must operate Your Franchise Business 6 days per week throughout the year (unless waived in writing by us) and at the hours We may designate, except that You are not required to operate on the following holidays: except for the following holidays: New Year's Day, Thanksgiving Day, Christmas Eve, and Christmas Day. Currently, You shall operate from 10:00 a.m. until 12:00 a.m. You shall not operate Your Franchise Business on Sunday. Your Operating Principal must work sufficient hours and employ adequate personnel to operate Your Franchise Business at maximum capacity and efficiency.

6.1.8 Remodel and Upgrades. At Your expense, You must repair, refinish, repaint, remodel, modernize, redecorate, or otherwise refurbish Your Premises from time to time as We may reasonably direct, but not more often than every 5 years (except for required changes to the Marks, which We may require at any time) to conform to the building design, color schemes and presentation of trade dress consistent with Our then-current public image, Including structural changes, new equipment, remodeling, redecoration of the furnishings, fixtures and décor and such modifications to existing improvements as may be reasonably necessary, such that all locations will have a generally similar look and appearance. You must complete all such updates and upgrades within 6 months of notice from Us of the requirement to upgrade and otherwise remodel Your Franchise Business as set forth above. In the event You relocate Your Premises to a new approved location, You must bring Your new Premises up to Our then-current standards.

6.1.9 Your Employees. You are solely responsible for the hiring, firing, compensation, benefits, managing, and training of Your employees, other than management training. We do not assist You in the hiring, firing, management or other employment decisions regarding Your employees, or in creating any policies or terms and conditions related to the management of Your employees or their employment. We may provide You with an employee guide or manual, but it will only be a sample of certain employment matters unless otherwise expressly provided by Us. It is Your responsibility to comply with local and federal labor and employment laws.

6.1.10 Insurance.

(i) Minimum Limit Requirements. You must at all times during the entire term of this Agreement and at Your own expense keep in full force, by advance payment(s), the

following minimum insurance policies, obtained from a company rated "A" or better by A.M. Best & Company, Inc., which minimums may be adjusted from time to time in Our sole discretion:

(a) Liability Insurance:

(1) General liability occurrence insurance insuring against all liability resulting from damage, injury, or death occurring to all persons or property in or about the franchise business premises (including products and completed operations coverage, contractual liability, personal and advertising injury, fire damage, and medical expenses coverage), the liability under such insurance to be not less than $1,000,000 per occurrence and $1,000,000 in the aggregate or leasehold minimum, whichever is greater (combined single limit for personal injury, including bodily injury or death, and property damage); and

(b) You must also maintain and keep in force all insurance on Your employees that is required under all federal and state laws.

These policy amounts are required minimums, but Your Lease may require higher amounts with which You are required to comply. In the event of damage to Your Premises covered by insurance, the proceeds of any such insurance must be used to restore the facility to its original condition as soon as possible (not more than 180 days) unless We consent otherwise in writing.

(ii) Policy Requirements. Other than worker's compensation, these policies must insure You and Us (Crumbl Franchising, LLC) and Our nominees as additional insureds, without regard to any other insurance program that We may have in effect, against any liability which may accrue by reason of, or relating to, Your ownership, maintenance or operation of the Franchise Business wherever it may be located. These policies will stipulate that We will receive a 30-day written notice of cancellation, modification or termination. Original or duplicate copies of all insurance policies, certificates of insurance, or other proof of insurance acceptable to Us must be furnished to Us together with proof of payment within 30 days of issuance and within 15 days of any request which We may make from time to time.

These insurance coverage requirements are only minimums. You need to make an independent determination as to whether increased amounts or additional types of insurance are appropriate. If You fail to obtain insurance and keep the same in full force and effect, We may obtain this insurance at Our discretion and You will pay Us upon demand the premium costs. Failure to obtain and maintain the required insurance constitutes a material breach of this Agreement. We may periodically increase the amounts of coverage required and/or require different or additional coverage. You will also procure and pay for all other insurance required by city, state and federal law.

(iii) Suggested Policies. We strongly suggest that You obtain a commercial auto liability policy Including all owned, non-owned, and hired autos used in Your Franchise Business with a limit of liability of not less than $1,000,000 (combined single limit for personal injury, Including bodily injury or death, and property damage).

6.1.11 Pricing. We may, to the degree permitted by law, suggest retail prices and specify maximum and/or minimum pricing You may charge for products and services. If We impose a maximum price for any product or service, You may charge any price for the product or service up to and Including the maximum pricing We impose, but You may not charge any price in excess of the maximum pricing. If We impose minimum pricing for any product or service, You may

charge any price down to and Including the minimum pricing imposed, but You may not charge any price below the minimum pricing set by Us. Unless otherwise agreed to by Us in writing, You cannot advertise or promote prices lower than, or inconsistent with, Our suggested prices outside of Your Franchise Business Premises. Our pricing policies are intended to benefit the System as a whole and may not maximize Your profits.

6.1.12 Computer and POS System. At Your expense, You must purchase or lease the computer and point of sale ("POS") system and other computer hardware and software systems designated by Us in strict accordance with Our specifications as they evolve over time. If We adopt a different computer system, POS system or other system in the future, You must adopt it at Your expense. You must maintain, modify and upgrade all such items at Your sole expense and as We may require from time to time. You must provide Us full 24-hour, 7-day-a-week access, Including online access, and the right to "upload" or "download" information to and from all POS, computer and other systems, and to the information and data contained in them. There is no contractual limitation on Our right to receive information through Your computer, POS or other systems. You must use any software We designate from time to time. You agree that You will not make any claim against Us or Our affiliates for any loss, damage, liability or expense caused by or related to failures, errors, acts, omissions, or otherwise of any computer, POS, hardware or software system. You shall accept Crumbl™ gift cards at your location and participate in Our gift card programs, which may be updated in the Manuals from time to time.

(i) Retention of Records. You must record all sales at the time of the sale in Your computer and/or POS system, or other sales recordation system approved or designated by Us from time to time. You must have high speed, broadband Internet access at the levels required in the Manuals. You must retain all POS and computer records, charge account records, sales slips, orders, return vouchers, sales tax reports and all of Your other business records and related back-up material, tax returns and financial reports for at least 5 years following the end of the year in which the items pertain, Including after the Termination or Transfer of this Agreement. You are required to follow Our accounting procedures, line items, templates, charts of accounts as provided and updated in Our Manuals. You shall follow, and shall ensure that Your accountant follows, the chart of accounts that We provide to You. You are required to use the online QuickBooks® Plus accounting system, and We will have independent access to Your account.

(ii) Merchant Account. At Your expense, You agree to participate in Our merchant account and other point of sale programs as set forth in Our Manuals.

(iii) Data Security Standards. At Your cost and expense, You must investigate and ensure that You comply with all payment card industry ("PCI") and data security standard ("DSS") standards, regulations, and requirements; however, We reserve the right to approve of the vendor You use for compliance. You must meet the requirements of, and comply with enhancements and changes to, the PCI and DSS and maintain PCI compliance with the current version of the PCI and DSS. We reserve the right to require an audit (and to designate the auditor) to verify compliance. You must reimburse Us for all costs related to the audit if you are not in compliance. You are responsible to use all required tools, systems, and vendors to complete ongoing PCI requirements Including quarterly external security scans and annual self-assessment questionnaires. You are solely responsible for all costs relating to PCI compliance and data security issues, Including, security threats, breaches, and malware. It is Your responsibility to alert Us, not later than 24-hours following a suspected or confirmed data security breach, so that appropriate action can be taken to protect customer

data and notify relevant parties. You are not permitted to collect, store, transfer, etc., any unnecessary customer information.

(iv) Compliance Monitoring System. You are required to purchase and install a compliance monitoring system to Our specifications in Your Premises. You are solely responsible for the monitoring, maintenance, and upgrades to this system. We will have independent access to the compliance monitoring system, but Our access does not obligate Us to monitor Your Premises for safety or compliance. We do not regulate the type of compliance monitoring system, but Our access does not obligate Us to monitor Your Premises for safety or compliance. We do designate the specific type of system You must install. You are required to provide Us notice of its installation. Both You and We must have the right to online access to the system and We are required to monitor Your location. By installing the monitoring system, You and Your employees are waiving their right to privacy, and You agree to include a provision in all Your employment applications and other applicable documents requiring Your employees to sign and waive their right to privacy with respect to the use of the any compliance monitoring system. You agree to indemnify and hold Us harmless from and against any claim related to Your security system.

6.1.13 Conferences and Seminars. In Our discretion, We may hold annual conferences or seminars on a regional or national basis for all franchisees in good standing. These meetings will enable franchisees to come together to discuss improvements, new developments, mutual concerns and resolve business matters. If We determine to hold a conference or seminar, attendance is mandatory for Your Operating Principal. The conferences and seminars may be held at various locations chosen by Us. We may conduct additional conferences and/or seminars to discuss information relevant to Your Franchise Business as determined by Us. If any conference or seminar is held, You may be required to attend, and You must pay all Fees associated with such conference or seminar.

6.2 Quality Control.

6.2.1 Correction of Defects. Should We notify You at any time of defects, deficiencies or unsatisfactory conditions in the appearance or conduct of Your Franchise Business, You agree to immediately correct any defect. You agree to establish and maintain an image and reputation for Your Franchise Business consistent with the standards set forth in this Agreement, in the Manuals, or as otherwise specified by Us.

6.2.2 System Compliance. You agree to strictly follow Our System, the Manuals, recipes, formulations, and other directives promulgated or provided by Us from time to time and to promptly implement such changes in Your Franchise Business, and to act in good faith in all Franchise Business and System matters and dealings. We may approve exceptions or changes from the uniform standards which We, in Our sole discretion, believe necessary or desirable. You must at all times maintain a valid email address, known and available to Us and frequently checked by You to facilitate Our communications with You. We may deny any or all of the above services to You while You are in breach of this Agreement or a related agreement, or in default in the discharge of any of Your obligations to Us.

(i) Incentive Programs. If We adopt a loyalty, coupon, gift, or other discount or incentive program, You will be required to implement such program in Your Franchise Business, which may include access to a bank account, established by You, for card charges made at other of Our franchise units.

(ii) Required Purchases. You must purchase all food and beverage products, equipment, logoed, branded, and other items and supplies from sources designated or approved by Us.

(iii) Modifications. We have the right to modify, delete, add to and otherwise make systematic and other changes to the System, Intellectual Property, Manuals and operations, etc. You agree to accept, comply with, be bound by, use, not object to, implement and display any and all such changes to the System or operations. You will make whatever expenditures are reasonably required to implement such changes or modifications. The modifications may obligate You to invest additional capital in Your Franchise Business and to incur higher operating costs. You must incorporate all such modifications within the time periods that We specify. We will not obligate You to invest additional capital at a time when the investment cannot in Our reasonable judgment be amortized during the remaining term of this Agreement. You are prohibited from making modifications to the System, Including to any recipes, to product packaging or any use of the Marks.

(iv) Inspections and Visits. You hereby consent to reasonable inspections and audits during normal business hours of Your Premises and/or service vehicles as set forth in Section 7.5 below.

(v) Non-Contravention. You agree that You will not, at any time, undertake any action, either verbally or in writing, to circumvent, contravene, disparage or undermine the purposes of this Agreement, the System, Us or Our officers, owners, partners, directors, members, managers, representatives, agents or employees.

6.3 Miscellaneous Obligations.

6.3.1 Personal Guarantees. If Your Franchise Business is owned by a business entity, each individual owner, partner, shareholder, member, and manager who owns an interest in the business entity must each personally guarantee the performance of all Your obligations under this Agreement by executing a Guaranty and Assumption of Obligations attached hereto as Exhibit A-11.

6.3.2 Drug Testing. We may require You and Your management employees to submit to random drug testing at the time and place We feel necessary to ensure Your compliance with Our policies regarding drug use in the System; however, We are under no obligation to perform such testing on Our or Your behalf. You are required to provide Us a copy of all drug testing results within 30 days from the time You receive such test results.

6.3.3 Vending Machines. No vending machine, cigarette machine, amusement devises, juke boxes, or other devices of similar nature, whether or not coin operated, are allowed to be installed or used on the Premises without Our prior written consent.

6.3.4 Disclosure. We can disclose in Our disclosure document or otherwise, any information concerning Your Franchise Business, Including Your name, address, telephone number, general financial and other information.

6.3.5 Financier or Lessor's Consent to Assignment. Before You lease or finance any of Your business assets to be used in Your Franchise Business with a third party, You shall require such financier or lessor to consent to the terms in Exhibit A-8 and shall have such consent be incorporated into such lease or financing agreement.

6.4 Standards and Control. Any required standards exist to protect Our interest in the System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to You.

6.5 Required Notices. You are required to provide Us with prompt notice (within five business days of receipt) of any default with regards to late payment of any taxes, government fines, payments owning to any vendors, landlords, or amounts owing to employees or contractors.

6.6 Communication. You shall only use the Gmail and Slack accounts established for You by Us for communication regarding Your Franchise Business. We may from time to time delete from, or add to, these exclusive methods of communication.

ARTICLE VII
FRANCHISOR'S OPERATIONAL ASSISTANCE

7.1 Franchisor's Services. We agree to the following:

7.1.1 Layout and Design. We will counsel You in the physical aspects of setting up Your Franchise Business. We will provide You with general specifications for the Premises layout, signs, equipment and interior décor. You must meet Our design standards and specifications unless waived in writing by Us. The general specifications and layout We provide to You are for informational purposes only. You must adopt these at Your expense for Your Premises. You shall employ and pay a licensed architect designated and approved by Us to accomplish and prepare and develop a preliminary set of plans, specifications, and related construction documents, and to prepare a full stamped set of floor plans, plans and specifications to include mechanical, plumbing, and electrical engineering as necessary to satisfy city, state, and local building codes for Your Crumbl™ Franchise Business. You must hire a local engineer or builder to construct or improve your Premises according to such plans.

7.1.2 Suppliers and Products. We will provide You with a list of specifications and a list of approved or designated suppliers of Crumbl™ food and beverage products, ingredients, uniforms, recipes, computer systems, electronics, equipment, customized fixtures, signs, software, etc., which may be updated by Us. You shall purchase and use in Your Franchise Business all of the goods and services that we specify. At Our discretion, at any time, We may add to or discontinue working with any of Our vendors or suppliers. There is no guarantee or promise that the relationship with any of Our current vendors or suppliers will continue or be available to the System. We do not offer assistance in delivery or installation of any item.

7.2 Operations Assistance. At Our discretion, We may furnish You with guidance relating to the general operation of Your Franchise Business and upon Your reasonable request, we will make Ourselves available to consult with You by telephone, email, video conferences, or website posting during regular business hours during the continuing operation of Your Franchise Business. We will provide You with a preliminary business plan template. However, for problems and training for items purchased from a supplier, You must consult with the respective manufacturer or supplier of those items. Other than the initial and opening assistance, We are not required to provide in-person assistance to You. If You feel additional assistance is necessary (such as management training), We will provide such assistance to You based on advance notice, availability of personnel, and Your payment of a per-day per-person Fee.

7.3 Warranties. The respective manufacturers or suppliers may replace defective items purchased pursuant to the standard limited warranties of the manufacturer or supplier, and You agree to look to the manufacturer or supplier for any defective equipment, vehicles, products or software. We will replace defective items purchased directly from Us pursuant to Our standard limited warranty, if any.

7.4 Training. We will train Your Operating Principal and designated manager in the various practices, policies and procedures of operation of Your Franchise Business. This training will take place in the State of Utah at Our training facilities. Your Operating Principal and designated manager, if separate from Your Operating Principal, are required to attend the same training and successfully complete the training program. The length of training is generally 4 to 6 days, but could be longer if Your Operating Principal or Your designated manager fails to successfully complete the training. Your Operating Principal and Your attendees must complete training at least 2 weeks prior to the opening of Your Franchise Business. Successful completion will be determined by Our trainers but may Include demonstrating knowledge of basic techniques, policies and procedures, food preparation and minor equipment assembly, portion control, accounting, daily operations, record keeping, computer system competency, Marketing, customer service, and delivery requirements. Failure to successfully complete training is a default of this Agreement. The training instruction is provided by Us without charge to You for up to 4 persons; however, You must bear the cost of all Your own travel, lodging, meals and all other living costs and expenses and salaries for all of Your attendees at the training session. Each person must attend the same training session. We may agree to train additional people attending the same training session as Your Operating Principal for a Fee. Attendees must sign a non-disclosure agreement acceptable to Us before attending training.

7.4.1 Replacement Training. Any new Operating Principal and manager must complete the initial training program. You may conduct this training, but it must be substantially similar to the training You received from Us and be completed within 14 days of hire (or assumption of duties for Operating Principals), or as otherwise directed or required by Us. If You desire Us to train Your new Operating Principal and/or manager, and We consent to provide the training, We will provide the training for a Fee paid to Us (see Exhibit A-3). Attendees must sign a non-disclosure agreement acceptable to Us before attending training.

7.4.2 Annual Manager Training. At Our discretion, once each calendar year, at a time designated by Us, Your Operating Principal and designated manager shall meet with Our representatives at a location specified by Us, for the purpose of discussing and reviewing Your operations, training, status, and financial performance. If We, in Our discretion, determine that such a meeting is necessary, the cost of travel, food, lodging, and Your employee salaries, and other expenses will be borne by You.

7.4.3 Opening Assistance. We will provide You with 2 to 3 days of opening assistance and training both before and during your opening with at least one representative at no additional charge. If You postpone or reschedule Your opening, You must reimburse Us for any of Our costs to reschedule Our opening assistance. However, We will not send any representatives to assist with this opening assistance until You have sent Us a valid certificate of occupancy.

7.5 Inspections and Visits. We may conduct periodic evaluations and inspections of Your Franchise Business at reasonable intervals by Our duly authorized for compliance with the System, customer service and the standards and procedures set forth in the Manuals. These inspections may be conducted in person or through remote access such as video or live video conferencing. Our inspections

may Include Your Premises, vehicles, business records, operating procedures and reports, food preparation and procedures, Including all computer drives and electronic storage devices, POS system, reports, account records and tax records. Upon Our request and at all reasonable times, You will provide to Us digital video and/or images of the interior and exterior of Your Premises and business vehicles as set forth in the Manuals.

7.6 Interim Management. We may require, based on Your defaults or poor performance (or as set forth in Section 14.10) that We step in to manage Your Franchise Business for a period of time, as We deem advisable, for a Fee while We manager Your Franchise Business. You will continue to pay and remain responsible for all royalties, Marketing fees and other Fees required by this Agreement.

7.7 Additional Guidance. Additional guidance, at Our sole discretion, will be furnished in the form of written Manuals, bulletins or other written materials, telephone consultations and/or consultations at Our offices or at Your Franchise Business in conjunction with an inspection of Your Franchise Business. We have the right to communicate directly with Your Operating Principal and managers concerning operational matters that We reasonably believe affect Our goodwill, Marks, or the System.

7.8 Non-Compliance. We may deny any or all of the above services to You while You are in default of this Agreement or any related agreement with Us or an affiliate.

ARTICLE VIII
PURCHASE OF PRODUCTS

8.1 Approved Products and Services. You agree to use, provide, and sell only those products, goods and services that meet Our specifications and/or that are purchased from approved suppliers in accordance with Our Manuals. You agree to promptly add, remove or modify any product, good, or service immediately upon notice from Us. You are prohibited from selling, leasing or offering any products or services not authorized by Us in writing.

8.2 Your Purchases. We or Our affiliate may derive revenue from the sale of required goods and services through mark-ups in prices We charge to You for goods and supplies purchased from Us and We or an affiliate may receive compensation and discounts from the supplier for Your purchase of such items. You agree that We and/or Our affiliates are entitled to such fees and/or other consideration. Any monies paid to Us for goods or services are non-refundable.

8.3 Unapproved Suppliers. You shall only purchase any items from suppliers that We designate. If You desire to purchase any items from an unapproved supplier, You must submit to Us a written request for such approval or request the supplier itself to do so. We may require You to submit samples, ingredient lists and other data to permit Us to ascertain whether such supplier meets Our specifications. We will notify You in writing and within a reasonable time as to whether such supplier has been approved. Prior to testing, You will be required to pay a non-refundable evaluation fee of not less than $2,000 plus reimburse Us for all reasonable costs and expenses of testing, regardless of whether the requested supplier is approved. A supplier who is able to meet Our specifications may, as determined in Our sole discretion, become an approved supplier for Your Franchise Business only or for the System as a whole. We may make changes in the standards and specifications for approved suppliers. At Our discretion, We may revoke Our approval of an approved supplier upon 30 days' prior written notice.

8.3.1 A new supplier must have: the ability to produce the products, services, supplies or equipment to meet both our standards and specifications for quality and uniformity; production and delivery capabilities and ability to meet supply commitments; integrity of ownership (to insure that its association with ours will not be inconsistent with the Crumbl™ image or damage Crumbl™ goodwill); financial stability; and the negotiation of a mutually satisfactory license to protect Our Intellectual Property.

ARTICLE IX
MANUALS

9.1 Manuals. We will loan You a copy of or allow electronic access to Our Manuals. You may not copy any part of the Manuals either physically or electronically. The Manuals are confidential and remain Our property and contain mandatory and suggested specifications, standards and procedures for the operation of Your Franchise Business. You may use the Manuals only in connection with Your Franchise Business and only during the term of Your Franchise Agreement. We have the right to revise the Manuals at Our sole discretion in order to maintain the goodwill associated with the System and the Marks. You will promptly and continuously comply, at Your expense, with all provisions of, and modifications to the Manuals. The master or most updated copy of the Manuals maintained by Us will be controlling in the event of a dispute relative to the contents of the Manuals.

9.2 Standards and Procedures. We may establish performance procedures, standards and specifications, recipes for products, services, and Marketing ("Standards") for the operation of Your Franchise Business and the products and services provided, and which will become part of the Manuals and System. We may change these Standards at Our discretion and You must strictly follow these Standards. Failure to do so is grounds for termination of this Agreement. We will provide You with a sample delivery driver agreement for use with Your driver employees, which You must conform to the laws and regulations of Your state.

ARTICLE X
MARKETING

10.1 Marketing Fund. We have the right to institute, maintain and administer and You are required to contribute to Our Marketing and brand development fund (referred to as the "Marketing Fund") for such Marketing or public relations programs as We, in Our sole discretion, may deem necessary or appropriate to advertise and promote the System nationally and Market for You locally, and may include the development of point-of-sale items such as t-shirts, hats, posters, and other digital Marketing items and programs. The Fees for the Marketing Fund are listed in Paragraph 5.3.1. You agree to participate in all Marketing programs instituted by Us.

10.1.1 Marketing Fund Administration. We will direct all such programs, with sole discretion over: 1) the creative concepts, materials, endorsements and media used in connection with such programs; 2) the source of the Marketing or public relation efforts; 3) the placement and allocation of such programs; and 4) the composition of all geographic territories and Market areas for the development and implementation of such programs. The Marketing Fund can be operated through an entity separate from Us that has all rights and duties of Us relating to the Marketing Fund. We will not be liable for any act or omission with respect to the Marketing Fund or otherwise which is consistent with this Agreement or which is done in subjective good faith. The Marketing Fund may be used, in Our reasonable discretion, to reimburse Us for costs related to the administration of the Marketing

Fund and any promotion and Marketing efforts intended to benefit the System. We have the right to loan money to the Marketing Fund to cover any deficits. The Marketing Fund is not in the nature of a trust, fiduciary relationship or similar special arrangement and We disclaim any such relationship.

10.1.2 Use of Marketing Fund Fees. We may use the Marketing Fund to offset a portion of direct costs to manage and maintain the Marketing Fund, Including the payment of staff salaries and other expenses for those employees who may be involved in Marketing Fund activities. You will participate in all Marketing programs instituted by the Marketing Fund or by Us and We may receive payment for providing goods or services to the Marketing Fund. We reserve the right to use fees from the Marketing Fund to place Marketing in national, regional, or local media. We are not required to spend any set amount on Marketing directly in Your area or Territory, and We do not have any obligation to ensure that expenditures are or will be used equally in each region or that they will be equivalent to contributions to the fund by other franchisees operating in any geographic area. We make no representations that Marketing expenditures will benefit You or any other franchisee directly, on a pro-rata basis, proportionally, or at all. We may use the Marketing Fund to offset a portion of direct costs to manage and maintain the Marketing Fund, Including the payment of staff salaries and other expenses for those employees who may be involved in Marketing Fund activities. Marketing Funds may be used to solicit additional franchisees and to promote the brand. Any unused Marketing funds in any calendar year will be applied to the following years' fund. You may request an unaudited annual report of Marketing expenditures within 90 days of the end of each year.

10.2 Sample Marketing and Promotional Materials. At Our discretion and upon Your reasonable request, We will provide You digital samples of Marketing and promotional materials developed by Us from time to time. At Our discretion and upon Your reasonable request, We may assist You in the digital development of Your advertising and Marketing materials at a cost to You of $75 per hour.

10.3 Approval of Marketing. You may develop Marketing and promotional materials and digital Marketing programs for Your use at Your cost. All such materials must be approved by Us in advance and in writing in accordance with Our Manuals. Marketing that has been submitted by verified receipt or submission will be deemed approved if You do not receive written approval or disapproval within 10 business days of the date We receive the submission. Any Marketing You create or use, Including any apps or other similar media that You create or have created for use by You and/or Your Franchise Business, may be used by Us or other franchisees without compensation to You and may be made available on Our website. We have the right to disapprove previously approved Marketing material at any time.

10.3.1 Marketing Compliance. You agree that all Your Marketing and promotional activities must be done in strict compliance with Our Manuals and in good taste and must reflect favorably upon Us and the System. You agree to submit to Us, prior to publication, copies of all Marketing, promotional and public relations materials, proposed to be used by You, Including, any use of the Internet, Social Media, or other digital or electronic medium, along with a description of how it will be used, by what media published and such other information thereon as may be reasonably requested by Us. All use of the Internet, or other digital, electronic or Social Media by You in connection with Your Franchise Business will be specified by Us from time to time, and We can prohibit or condition any use by You of the Internet, or other digital, electronic or Social Media in Our discretion. You are required to participate in all Marketing, email, and other programs as developed by Us, Including the collection of Customer Data and participation in using and promoting apps, as developed by Us and as directed in Our Manuals.

10.4 Internet and Social Media. You may not create a website, apps, or Social Media accounts, or similar electronic media whether now or later developed, or use or obtain a domain name consisting of all or any part of the Marks, or that would be confusingly similar to all or any part of the Marks without Our prior written permission. You may not engage in Marketing on the Internet, Including posting items/services on third party re-sell or auction style websites, Including eBay®, Craigslist, Amazon.com, or use of apps without Our prior written permission. If You receive permission from Us for Your own website, use of apps, or Social Media, or similar electronic media, all content must be pre-approved in writing by Us and You may be required to use Our website or other digital designers to create the site for a fee. You may be allowed to place pre-approved information concerning Your Franchise Business on Our or other designated website and Social Media, as developed by Us. You are required to provide Us all usernames, passwords and account information and any other information related to any of Your websites and Social Media accounts, and/or provide US with administrator access, immediately upon Our request. You may not claim any web listing on sites such as Yelp, etc. To the extent that You have any web listings using Our Marks, You hereby assign such accounts to Us, and You must facilitate any transition and assignment with the online directory or Social Media platform within 30 days of signing this Agreement or of creating such listing. You must strictly comply with the policies and procedures established by Us regarding websites, Social Media and Internet Marketing.

10.5 Your Obligations to Market. We will work together to develop plans for growth, capturing market share and name recognition. We are not restricted from Marketing in the Territory. Except for the rights expressly given to You, there will be no limitation on Our rights to deal with potential or actual customers located anywhere. You are not allowed to sell products or services outside of Your Territory and may only Market outside Your Territory as specifically set forth in the Manuals.

ARTICLE XI
BREACH AND TERMINATION

11.1 Default and Termination. We may terminate this Agreement before the expiration of its term if You breach or violate and fail to cure, if curable, any material term, condition or provision of this Agreement in any respect or default in the performance or fulfillment of any material term or provision of this Agreement, Including those breaches set forth herein below. If curable, You must cure a default within the time periods set forth below after receiving notice of default. If the default is one that is incapable of cure, Termination is effective as of the date of the notice of default.

No Cure Period:

A. Insolvency. You become insolvent or commit an act of bankruptcy or make a general assignment for the benefit of creditors or to an agent authorized to liquidate Your property or assets, or become or are adjudicated bankrupt, or voluntarily file a petition in bankruptcy or for reorganization.

B. Unauthorized Duplication. You duplicate the System or use the System or any part thereof in connection with any other business.

C. Repeated Breaches. You repeatedly breach (3 or more times during the term of this Agreement) the same or different conditions of this Agreement or the Manuals within a 12- month period.

D. Unauthorized Use of Marks. You use any Mark or other proprietary or property right, either tangible or intangible, granted by this Agreement other than in connection with the operation of Your Franchise Business.

E. Public Safety. Your maintenance or operation of Your Franchise Business results in a threat or danger to public health or safety.

F. Misrepresentations. You make any material misrepresentations relating to the acquisition of the Franchise Business.

G. Abandonment. You abandon or close Your Franchise Business without Our prior consent.

H. Unauthorized Transfer. You attempt to Transfer (as defined in Article XIV below) all or any part of this Agreement, Your Franchise Business, or any material portion of the property associated with Your Franchise Business, or an unapproved percentage of Your franchise entity, or You attempt to purport to sublicense to another any of the rights, property licensed to You hereunder, or You otherwise fail, refuse or neglect to obtain Our prior written consent or approval required hereunder.

I. False Reporting. You knowingly or intentionally conceal revenues, maintain false books, or records or submit any false report or payment or otherwise defraud Us.

J. Crimes and Adverse Behavior. You commit or are convicted of or plead guilty or no contest to, a felony, a crime involving moral turpitude or any other crime, offense or behavior that We believe is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith or Our interest therein. You make disparaging remarks against Us, Our management, employees, the System, or Our brand to Our other franchisees or in a public forum, Including radio, television, newspapers, the Internet, or Social Media; or You engage in conduct which reflects materially upon the operations and/or reputation of Your Franchise Business, the System or Us in an adverse manner.

K. Unauthorized Competition. You fail to comply with the covenant not to compete during the term of this Agreement or intentionally or recklessly disclose or use the contents of the Manuals, trade secrets or confidential or proprietary information provided to You by Us in violation of this Agreement.

L. Termination of Lease Agreement. Your Lease for the Premises is terminated.

M. Illegal Drug Use. You or Your officers, directors, members, managers or principals use illegal drugs or abuse prescription medication or refuse to submit to a drug test. Additionally, You go to a job or provide services while intoxicated whether by use of alcohol, illegal or legal drugs.

N. Failure to Obtain Financing. You fail to qualify for or fail to receive the necessary financing to open and operate Your Franchise Business.

O. Unauthorized Modification. You modify in any degree by adding to or taking from or changing the contents or flavor of any recipes, formulas, spices or other proprietary food items as well as using any substitute ingredients or procedures in violation of the Manuals or this Agreement.

P. Multiple Failures. You, or any of Your direct or indirect owners, (a) fail on 3 or more separate occasions within any 12-consecutive-month period to comply with this Agreement, whether or not We notify You of the failures or You correct the failures, or (b) fail on 2 or more separate occasions within any 6-consecutive-month period to comply with the same obligation under this Agreement, whether or not We notify You of the failures or You correct the failures.

Q. Default of Another Agreement. You, or a related entity to You, default under the terms of any other agreement with Us.

24-Hour Cure Period

R. Health Code Violations. All health code violations must be cured within 24 hours of an inspection by Us or the applicable governmental agency overseeing restaurant safety, except for threats to the public safety which may be cause for immediate Termination.

15-Day Cure Period:

S. Failure to Pay. You fail to pay any Fee or other amount due to Us, any of Our affiliates, or other designated, approved or other suppliers or assigns, within the time period specified for such payments by this Agreement, the Manuals or an agreement specifying the payment concerned.

T. Failure to Accurately Report. You fail to accurately report Your Gross Sales or fail to submit any reports or records required under this Agreement or the Manuals.

U. Default Notice of Lease Agreement. You receive a notice of default under Your Lease.

V. Unauthorized Closure. Your Franchise Business is closed for a period of 5 or more consecutive days without Our prior written approval, which consent will not be unreasonably withheld or delayed, or You move the location of Your Franchise Business Premises without Our prior written approval.

W. Act in Contravention. You perform or undertake any action to undermine or circumvent this Agreement, the System, or Us, as more fully set forth in paragraph 6.2.2(vi).

30-Day Cure Period:

X. Other Breaches. Except as otherwise provided herein, You fail to comply with any other provision of this Agreement or the Manuals.

11.1.1 Adequate Assurance. When reasonable grounds for insecurity arise with respect to the performance of Your obligations under this Agreement, We may in writing demand adequate assurance of due performance and, until We receive such assurance, We may reasonably suspend any performance of Our obligations. Failure to provide Us with adequate assurances within 30 days, when properly demanded, will be considered a default of this Agreement for which no additional cure period

will be granted.

11.2 Event of Default. In the event of any default by You, We will give You written notice of default specifying the default(s) and, if curable, state what You must do to cure the specific default(s) within the cure period. In the event of a default by You, all of Our estimated costs and expenses arising from such default(s), Including reasonable legal fees and reasonable charges for Our employee's time related to the default(s) must be paid to Us by You within 5 days following Our demand for payment. Notwithstanding anything to the contrary herein, We have the right, in Our sole discretion, to grant You an extended period of time to cure. Any such extension will not be construed as a waiver of Our rights in the future.

11.3 Failure to Cure. If You fail to cure any default within the time period allotted, We may proceed to enforce any or all of the following non-exclusive remedies in accordance with this Agreement, and the pursuit of any one remedy will not be deemed an election or waiver by Us to pursue additional remedies:

11.3.1 Actionable Claim. Bring an action or claim for the balance of any monies due hereunder, Including, penalties and interest as provided for in this Agreement and for all other damages sustained by Us as a result of Your breach of this Agreement. As part of any such action, We may accelerate the balance of any outstanding installment obligation due hereunder and bring an action for the entire accelerated balance.

11.3.2 Injunctive Relief. Bring an action for temporary or permanent injunctions and orders of specific performance enforcing the provisions of this Agreement and otherwise stop You from engaging in actions prohibited hereby.

11.3.3 Termination. Terminate this Agreement and proceed to enforce Our rights under the appropriate provisions. Such Termination will be effective upon delivery of a notice of Termination to You without further action by Us.

11.3.4 Other Remedies. Seek any other remedy available to Us at law or in equity, Including lost profits.

11.3.5 Cross Default. In Our sole discretion, We may Terminate any other agreement You or a related entity have with Us or an Affiliate of Ours.

11.4 No Right of Termination. Except as specifically provided herein, You may not terminate this Agreement. After one year of operating Your Franchise Business, You may terminate this Agreement by paying a fee of $25,000 and executing a Mutual Termination and Release Agreement. After two years of operating Your Franchise Business, You may terminate this Agreement by paying a fee of $15,000 and executing a Mutual Termination and Release Agreement. If You choose to exercise this option, You must give Us 90 days' written notice. All provisions of this Agreement pertaining to termination will apply Including the survival of the covenants not to compete after termination.

11.5 Opportunity to Cure. Prior to taking any action against Us, You agree to first give Us 60 days' prior written notice and an opportunity to cure any alleged act or omission. If such act or omission cannot be cured within such 60-day period, and We are diligently continuing efforts to

attempt to cure such alleged act or omission, You will give Us such additional time as is reasonably necessary to cure.

ARTICLE XII
TERMINATION AND EXPIRATION

12.1 Upon Termination of this Agreement for any reason, You will immediately cease to be Our franchisee and must:

12.1.1 Payments Due. Immediately pay for all product purchases, Fees, and other obligations owed or accrued to Us, Our affiliates or designated suppliers.

12.1.2 Cease Use. Not hold Yourself out as a Crumbl™ franchisee or business and immediately comply with the following: permanently cease to advertise or in any way use the System, Intellectual Property, apps, materials, methods, procedures, processes, Marks, or promotional materials provided by or licensed to You by Us or in any way connected with the Franchise Business or System.

12.1.3 Disassociation. Take all necessary steps to disassociate Yourself from the System and Your Franchise Business, Including the removal of signs, destruction of letterheads, changing of telephone listings, telephone numbers, Internet sites and web pages and the like and to assign and transfer the telephone listing, telephone numbers, e-mail addresses, URL's, home and other web pages and Social Media to Us. If You fail or refuse to do so, the telephone company, URL and hosting companies, and other listing agencies may accept this Agreement as evidence of Our exclusive rights in and to such telephone number(s), Internet websites, URL's, and Social Media and listing and its authority to direct their transfer. You hereby appoint Us as Your attorney-in-fact for the above transfers.

12.1.4 Cancel DBA. Take such action as will be necessary to amend or cancel any assumed name, fictitious or business name or equivalent registration, which contains any Mark of Ours or in any way identifies You as being affiliated with Our System.

12.1.5 Notify Suppliers. Immediately notify all suppliers, utilities, creditors and concerned others that You are no longer affiliated with Us or the System and provide proof to Us of such notification. You covenant not to use any of Our trade secrets or confidential or proprietary information or materials following the Termination of this Agreement and not to identify any present or future business owned or operated by You as having been in any way associated with Us or the System.

12.1.6 Return Materials. At Your cost, permanently delete electronic copies and return to Us by first class prepaid United States Mail, (Including originals and any copies) physical copies of Our Manuals, all training, Marketing and promotional aids and materials and all other printed materials and any other Confidential Information obtained by You from Us pertaining to the operation of Your Franchise Business.

12.1.7 Modification of Premises. At Your expense, You will alter, modify and change both the exterior and interior appearance of Your Franchise Business Premises to Our satisfaction, so that it will be easily distinguished from the standard or common appearance of a Crumbl™ business and will cease using the signs, displays, advertisements, promotional materials and the like that are unique or distinctive to the System.

12.1.8 Pay Damages. Pay to Us all costs, damages and expenses, Including post-term expenses and reasonable attorney's fees incurred by Us to obtain injunctive or other relief to enforce any provision of this Agreement.

12.1.9 Proprietary Information. Cease using or availing Yourself of any of Our proprietary or Confidential Information.

12.1.10 Customer Data. Provide Us with the Customer Data for all current, prior and expectant customers of the Franchise Business.

12.1.11 General Release. Execute a general release by You and Your guarantors.

12.1.12 Evidence of Compliance. Furnish evidence satisfactory to Us of compliance with this Section 12.1 within 30 calendar days after the Termination of this Agreement.

12.2 Upon Termination of this Agreement, for any reason:

12.2.1 No Compensation. No payment is due to You from Us or any source on account of any goodwill, intangible assets or other equity claimed by You arising from, or relating to, Your operation or ownership of Your Franchise Business, or otherwise. All goodwill connected in any way with Your Franchise Business or the System belongs now and, in the future, exclusively to Us.

12.2.2 No Refund. No Fees, charges, or other payments of any kind from You to Us are refundable in whole or in part.

12.2.3 No Equity. You will have no equity or other continuing rights to use the System, Intellectual Property or goodwill of the Franchise Business.

12.2.4 Payment to Customers. You must refund all customer gift card and gift certificate amounts as required under Your state's applicable laws. In the event We are required to pay any customer reimbursement amounts, You will be responsible to pay Us the reimbursement amount, plus a Fee in each instance for Our time.

12.3 Survival of Provisions. All of the provisions of this Agreement, which by their terms or implication apply following the Termination of this Agreement, will survive and will apply following Termination of this Agreement, Including Your obligation to indemnify Us and to pay all amounts owed, and You will continue to observe the confidentiality, non-competition and other restrictions of this Agreement and the provisions with respect to arbitration and dispute avoidance.

12.4 Your Continued Operation. If You continue to operate Your Franchise Business, or any business offering similar products and services, after Termination of this Agreement, using any of the Marks or any aspect of the System, Our remedies will Include, recovery of the greater of: (a) all profits earned by You in the operation of Your Franchise Business or similar business after such Termination; or (b) all royalties, Marketing contributions and other amounts which would have been due if such Termination, had not occurred.

12.5 Liquidated Damages. You and We recognize the difficulty of calculating damages caused by lost future royalties, but nevertheless recognize and agree that such damages could arise, and You and We hereby agree to the following formula as a compromise on the calculation of such

damages. If this Agreement is Terminated, other than for non-renewal or mutual termination, in addition to other remedies available under this Agreement, We will be entitled to liquidated damages, not as a penalty, and solely to compensate Us for lost future royalties. These liquidated damages will be equal to the average royalty payment from the previous 12 months multiplied by the lesser of 36 months or the remaining term of this Agreement. You and We agree that such amount will be reduced to the present value of such payments as of the date of termination utilizing an interest rate of 5%. Such liquidated damages only cover Our damages for lost royalties and does not cover any other damages under this agreement, at law, and in equity and are not a waiver of any other right. You agree that these liquidated damages do not give us an adequate remedy at law for any other default under any provision of this Agreement other than lost royalties.

12.5.1 Fee for Non-Compliance; Payment of Our Costs in Securing Compliance. In addition to any other remedy We may have under this Agreement and under law, in the event You fail to comply promptly with any of Your post-termination obligations in this Article XIV: (a) You agree to pay Us $500 per day for each day that You are in default, as a reasonable estimate of the damages suffered by Us; and (b) to prevent further injury, We may hire a third-party or use Our own personnel to de-identify Your Premises and/or to carry out any other post-termination obligations on Your behalf, for which costs you will be responsible. These costs will include any attorneys' fees and costs incurred and associated with enforcing Your post-termination obligations. We have the right to automatically debit by EFT or other electronic withdrawal means, Your bank account for these payments. This post-termination Fee obligation will not affect Our right to obtain appropriate injunctive relief and other remedies to enforce this Article XII, Our trademark rights, or the covenants to not compete.

12.5.2 Additional Non-Compliance Costs. In addition to the daily post-termination non-compliance Fee, You will pay to Us: (a) the amount of expenses reasonably incurred by Us to perform any obligation that You failed to perform, calculated on hourly rates of Our personnel, and time, travel, lodging, food and other expenses where applicable; and (b) all damages, costs and expenses, Including attorneys' fees and costs incurred by Us in obtaining injunctive or other relief. Upon Your Termination, We have the right to transfer from Your account by EFT or other electronic withdrawal means, a payment of $10,000 in respect and anticipation of the post-termination non-compliance Fees and expenses referred to in Section 12.5. Upon completion of de-identification of the Premises to Our reasonable satisfaction and payment of the expenses provided in this Section 12.5, We will refund to You any unused portion of the $10,000 remaining. If the $10,000 is insufficient to satisfy Your monetary obligations to Us, You will pay the balance owing within 30 days of Our invoice to You.

12.6 Cumulative Rights. Our rights provided above are cumulative and in addition to any other right or remedy available at law or in equity.

ARTICLE XIII
PURCHASE OPTION

13.1 Purchase Option. Upon Termination of this Agreement, You hereby grant to Us the right to:

13.1.1 Acquisition of Assets. Acquire, in Our sole discretion, all or any part of Your assets, inventory, equipment, signs, accessories and other personal property relating to Your Franchise Business (collectively, "Operating Assets") at the then-existing fair market value of such item or items as of the date of Termination of this Agreement, less any amounts owed to Us, or amounts that We

may withhold to pay taxing authorities or other debts or encumbrances that may continue with or be attached to the Operating Assets. You hereby grant Us permission to speak directly with Your landlord and other creditors, Including suppliers, banks, the IRS and state agencies (and You will cooperate with Us to facilitate such communication), regarding any loans and/or liens or obligations that would encumber Your Operating Assets. If the fair market value is not agreed to by the parties, the fair market value will be established by an independent appraisal. The appraisal will be done at Our expense by an appraiser selected by Us. No goodwill will be considered associated with Your Franchise Business or said items. We must exercise this option within 60 days of such Termination ("Option Period") by giving written notice to You of Our intent to exercise Our option to purchase. We have the right to use Your assets and Premises during the Option Period, and in such case, We will pay You the fair market value of such use. Unless otherwise agreed by You, the purchase price as determined hereunder will be paid in cash within 30 days of providing notice of Our intent to purchase. If We have not notified You of Our election to exercise this option within the Option Period, it will be conclusively presumed that We have elected not to exercise Our option, and You are then free to sell or transfer such assets to any person or entity on such terms as You may so choose, so long as the Operating Assets have been de-identified as set forth herein.

13.1.2 Assumption of Lease. We have the right, during the Option Period, to assume Your Lease under the provisions of Paragraph 4.5.3 above.

13.1.3 Warranties. The purchase contract for such assets and contracts, as set forth in Paragraph 13.1.1 above, will include standard representations, warranties, covenants and indemnities from You as to the assets and contracts being purchased, Including warranties of good title, absence of liens, compliance with laws, absence of defaults under contracts, litigation and tax compliance.

13.1.4 Assignability. Our rights under this Section 13.1 are assignable by Us at Our discretion.

ARTICLE XIV
SALES OR TRANSFERS OF THE FRANCHISE

14.1 Our Right of Assignment. This Agreement and all rights and obligations hereunder are fully assignable and transferable, whether in part or whole, by Us, and if so assigned or transferred, will be binding upon and inure to the benefit of Our successors and assigns. We may be sold or We may sell any part of or all of Our Intellectual Property or other assets to a competitive or other entity. In addition, We may go public, may engage in a private or other placement of some or all of Our securities, may merge, acquire other entities or assets which may be competitive with the System or not, be acquired by a competitive or other entity, and may undertake any refinancing, leveraged buy-out or other transaction, Including arrangements in which: 1) the retail or other facilities are, or are not, converted to the System or other format or brand (Including using the System or Marks), or 2) the System is converted to another format or brand, maintained under the System or a different system. You waive all claims, demands and damages with respect to any transaction or otherwise allowed under this Section or otherwise. You shall fully cooperate with any such proposal, merger, acquisition, conversion, sale or financing.

14.2 No Assignment by You without Approval. This Agreement is personal as to You, and is being entered into in reliance upon and in consideration of Your qualifications and representations. Therefore, neither this Agreement nor any of its rights or privileges, nor any shares or units in the

ownership of Your entity or Your Franchise Business may be Transferred (as defined below) in any manner by You or anyone else unless Our prior written approval is obtained. You will provide Us with all documentation relating to the Transfer of Your Franchise Business. Said approval will not be unreasonably withheld, but will be conditioned upon Our satisfaction with the qualifications set forth in Paragraph 14.3 below of the proposed transferee and its owners and officers. You must provide Us written notice of Your intent to Transfer prior to listing or offering the Franchise Business for sale. The term "Transfer" as used in this Article XIV and elsewhere where capitalized, Includes any direct or indirect assignment, transfer, division, trade, sale, gift, pledge, mortgage or granting of any security interest.

14.2.1 Transfers to Competitors Prohibited. In order to maintain the confidentiality of the proprietary information of the System, You agree that as a condition to becoming Our franchisee, You cannot Transfer any part of this Agreement, Your Franchise Business, or any part of Your entity, if applicable, to a competitor of Ours or an affiliate of a competitor of Ours without Our written permission. Any such Transfer without Our written approval will be considered void ab initio.

14.3 Qualifications of Transferee. In determining the acceptability of the proposed transferee, We will consider, among other things, Our then-current standards for new franchisees, Including the net worth, credit worthiness, background, training, personality, reputation, and business experience of the proposed transferee, the terms and conditions of the Transfer and any circumstances that would make the Transfer not in the best interests of Us or the System, Including the proposed purchase price. We may meet and candidly discuss all matters relating to Your Franchise Business with the potential transferee. In no case will You or a proposed transferee rely on Us to review or evaluate any proposed Transfer. Neither We nor Our affiliates will be liable to You or the transferee or any other person or entity relating to the Transfer and You agree to indemnify and hold Us harmless from any liability whatsoever relating thereto.

14.4 Application for Transfer. Upon any proposed Transfer of this Agreement, or any interest in it, You agree to submit to Us an application in the form specified by Us on behalf of the proposed transferee.

14.5 Transfer Fee. As a condition of Our approving the Transfer of this Agreement or Your Franchise Business, You agree to pay to Us a transfer Fee of two thousand five hundred dollars ($2,500). The transfer fee is non-refundable and is only payable at the time of the approved Transfer.

14.6 Permitted Transfers. If a proposed Transfer is only among existing shareholders or members of a corporation or limited liability company franchisee, or among existing partners of a partnership franchisee, or by an individual or partnership franchisee to a corporation or limited liability company controlled by and owned not less than 60% by You, Including Your current owners, there will be no transfer Fee, but You must reimburse Us Our legal and corporate fees incurred related to the transfer, and We will not be entitled to exercise Our right of first refusal set forth in Section 14.9 below. However, all guarantors will remain guarantors to this Agreement unless otherwise released by Us in writing in Our sole discretion. Each ownership certificate of a corporation or limited liability company franchisee must have endorsed upon its face that the Transfer thereof is subject to the restrictions of this Agreement. Any new owner with an ownership of ten percent (10%) or more in Your Franchise Business or Your entity, must personally guarantee the obligations of this Agreement.

14.7 Involuntary Transfers Void. Involuntary Transfers of this Agreement by You, such as by legal process, are not permitted, are not binding on Us and are grounds for termination of this

Agreement. You agree that using this Agreement as security for a loan, or otherwise encumbering this Agreement is prohibited unless We specifically consent to any such action in writing prior to the proposed transaction. You agree not to purport to grant a sub-franchise under this Agreement nor to otherwise seek to license or permit others to use this Agreement or any of the rights derived by You under it. Any attempt to Transfer this Agreement or Your Franchise Business in whole or in part, or any material portion or property used by You in connection herewith, whether or not binding on Us, will be grounds for the immediate termination of this Agreement, unless such Transfer is authorized in writing by Us.

14.8 Conditions of Transfer. Prior to the effective date of Transfer of this Agreement or Your Franchise Business and as a condition for Our approval of any Transfer, You agree as follows:

14.8.1 Compliance. You must be in full compliance with this Agreement and not be in default hereunder. All accounts payable and other monetary obligations to Us or Our affiliates or subsidiaries must be paid in full. You must have submitted all required reports, financial statements and other documents.

14.8.2 Written Proposal. The terms and conditions of the proposed Transfer must be provided in writing to Us within the time frames specified by Us. The price and other proposed terms of the Transfer must not, in Our reasonable business judgment, have the effect of negatively impacting the future viability of the Franchise Business.

14.8.3 Assumption of Obligations. All Your obligations in connection with Your Franchise Business must be assumed by the transferee.

14.8.4 New Franchise Agreement. The transferee must sign the then-current form of the Franchise Agreement and fully upgrade the Franchise Business and Premises to the level required of new franchisees.

14.8.5 Payment for Training. The transferee must pay for and complete the training program required of new franchisees. The cost of such training will be at Our standard rate for training new managers, plus the cost of travel, food and lodging for the trainers.

14.8.6 Transfer Fee. You must pay the transfer Fee set forth in Exhibit A-3.

14.8.7 General Release. You and each of You must execute a general release releasing Us of any claims You may have against Us.

14.8.8 Receipt of FDD. At Our discretion, the transferee must sign a document stating that it has received a copy of the franchise disclosure documents at least 14 calendar days or 10 business days, whichever is applicable in Your state, prior to closing and that We have made no representations, promises, or covenants concerning the past or future success of the franchise.

14.8.9 Survival of Covenants. Your non-competition, indemnity and confidentiality obligations and the provisions relating to dispute resolutions will survive any Transfer.

14.9 First Right of Refusal.

14.9.1 Right of First Refusal. You hereby grant to Us the right of first refusal to purchase Your assets, this Agreement, the Franchise Business or ownership in Your entity (collectively "Assets") on such terms and conditions specified in a bona fide written offer from a third party, who would satisfy the criteria for approval under Section 14.3. You agree to notify Us in writing of the terms and conditions of the Transfer, Including the Assets proposed to be Transferred, the purchase price or other consideration, any creditor financing terms being extended by You, the date of the proposed Transfer, and all other pertinent provisions of the proposed Transfer. In addition, a copy of any contract, agreement, memorandum of sale, deposit receipt, letter of intent and the like, must also be forwarded to Us as soon as it is signed by You. Following receipt of all pertinent data and documents concerning the proposed Transfer, Including any additional data concerning the transaction requested by Us from You, We will have 60 days in which to advise You in writing of Our election to have the Assets transferred and assigned to Us on the terms and conditions agreed to by the prospective transferee. Should We elect to purchase the Assets proposed to be Transferred pursuant to Our right of first refusal, You and We agree to cooperate to accomplish the Transfer as set forth in the provisions submitted to Us by You, provided that the date for the completion of the Transfer can be extended at Our option for up to 30 days beyond the date originally indicated for the completion of the Transfer in order to allow the completion of the transaction in a manner more convenient to Us. We have the right to off-set any amounts You owe to Us against the purchase price. If Your Franchise Business is not Transferred to such third party within 90 days after We elect not to purchase the Assets, You must re-offer the Assets to Us before You may Transfer to an approved third party. We have no obligation to purchase Your Assets.

14.9.2 Non-Election of Rights. If We do not elect to purchase the Assets proposed to be Transferred, You may complete the proposed Transfer on the terms and conditions set forth in Your notice to Us subject to Our right to approve the proposed transferee and the terms and conditions set forth under this Article 14. However, if there are any material changes in the terms and conditions of the proposed Transfer after You notify Us of the proposed Transfer, Including any changes in the terms and conditions occurring after We notify You of Our election not to purchase the Assets pursuant to Our right of first refusal, and any of those changes are less favorable to You, You agree to notify Us of the changes in writing and We will have an additional 10 days within which to elect to purchase the Assets proposed to be Transferred on the revised terms and conditions.

14.10 Death or Incapacity and Interim Management. In the event of the death or incapacity of an individual franchisee or general partner or manager of an entity franchisee (the term "incapacity" means any physical or mental infirmity that prevents the person from performing his or her obligations under this Agreement: (i) for a period of 60 or more consecutive days, or (ii) for 100 days during a calendar year), the heirs or personal representative will have the right to continue Your Franchise Business; provided that within a reasonable time (not more than 180 days) after such death or incapacity (or such longer period required by the laws of the state where Your Franchise Business is located) the heirs appoint a representative to act in behalf of the heirs in all matters pertaining to Your Franchise Business as provided for new Operating Principal or designated managers and franchisees, Including the requirements to have the representative trained and accepted by Us in accordance with Our standards. The heirs or personal representatives, instead of operating Your Franchise Business themselves under the foregoing procedures may choose to Transfer Your Franchise Business. If a decision to Transfer is made, the transfer procedures explained above will apply. If We are required to run Your Franchise Business for a time due to Your death, incapacity, unexcused absence or as otherwise allowed under this Agreement, the provisions of Section 7.6 above will apply.

14.11 Assumption of Obligations. The parties agree that in the event a court of competent jurisdiction orders You to Transfer to Your spouse or a third party all or any part of Your interest in this Agreement or Your franchisee entity and/or in any property related thereto, such an order will constitute a Transfer of this Agreement and will cause the transferee to be subject to all of the terms and conditions concerning Transfers set forth herein above.

14.12 Acquisitions. If We receive an offer to acquire a majority of the franchises or to purchase a majority of Our assets or stock, or to merge or go public or similar transactions, We have the option, but not the obligation, to purchase all of Your rights and interests in and under this Agreement and Your Franchise Business at fair market value payable on terms as reasonably negotiated. The purchase price will not include compensation for any successor term or goodwill. All goodwill belongs to Us. If the purchase option is exercised, You will execute a general release to Us. We will close Our purchase within 60 days after You receive notice of intention to exercise Our right or as soon thereafter as reasonably practical.

ARTICLE XV
RELATIONSHIP OF THE PARTIES

15.1 Independent Contractors. In all matters, You are an independent contractor. Nothing in this Agreement or in the franchise relationship constitutes You as Our partner, agent, joint employer, or joint venturer with Us, and this Agreement does not create a fiduciary relationship between You and Us. Neither party is liable for the debts, liabilities, taxes, duties, obligations, defaults, compliance, intentional acts, wages, negligence, errors or omissions of the other. You are solely responsible for the management and control of Your Franchise Business, Including, its daily operations, managing and directing employees, contractors, and sales persons and paying all costs and expenses of Your Franchise Business. The parties agree not to hold themselves out by action or inaction contrary to the foregoing and to indemnify each other for any liability, cost or expense Including attorney's fees, incurred by either of them for any act, omission, finding or result to the contrary. None of Your employees will be deemed to be Our employee and each employee will be so notified by You. Neither party will act or have the authority to act as agent for the other, and neither You nor We will guaranty the obligations of the other or in any way become obligated for the debts or expenses of the other unless agreed to in writing. You agree to post promptly and maintain any signs or notices specified by Us or by applicable law indicating the status of the parties as described above.

15.2 Indemnification. You agree to defend, indemnify, and hold Us harmless from any and against any and all losses, liabilities, damages, costs and expenses whatsoever, Including reasonable attorney's fees arising out of or related to, or in any way connected with You or Your acts, errors or omissions in the operation of Your Franchise Business or Your Franchise Business generally, and Including any allegation that You are Our employee, or that We are a joint employer or otherwise responsible for the acts or omissions relating to Your employees, and other laws regarding public accommodations for persons with disabilities. We will have the right to defend any such claim against Us by employing counsel of Our choice, subject to full reimbursement of all legal fees by You. We will use Our reasonable efforts to cooperate with You in any litigation, judicial or administrative proceeding to avoid duplication of time, effort or expenditure to the greatest extent possible without compromising Our interest in such matter. This indemnity will continue in full force and effect subsequent to and notwithstanding the Termination of this Agreement.

ARTICLE XVI
COVENANT NOT TO COMPETE

16.1 In-Term Covenants. You and We share in a common interest in avoiding situations where persons or companies who are or have been franchisees operate or otherwise become involved with a similar or competing business during the term of this Agreement. During the term of this Agreement and for any extensions or Successor Franchises hereof, You agree that neither You nor Your immediate family will own, operate, lease, franchise, conduct, consult with, engage in, be connected with, have any interest in, or assist any person or entity engaged in or on its own account or as an employee, contractor, consultant, partner, officer, director or shareholder of any business offering products or services the same as or substantially similar to Your Franchise Business or the System in any capacity or location, except with Our prior written consent. You understand and acknowledge that to violate this Section will create irreparable harm. Your owners, members, directors, officers, managers, and shareholders shall execute the standard Principal Non-Disclosure and Non-Competition Agreement attached as Exhibit A-4. Your principal management employees must execute Our Management Employee Confidential Information Non-Competition Agreement attached hereto as Exhibit A-5 and You shall ensure that all of Your employees, including Your management employees, execute Our Employee Confidential Recipe Agreement attached hereto as Exhibit A-6 (Although We provide You these forms, it is Your responsibility to conform them to the laws and regulations of Your state.). A copy of all such agreements must be promptly delivered to Us at closing for Your Principals and within 1 week of hiring of the management employees.

16.2 Confidentiality. You agree that at no time, either during the term of this Agreement, any extensions or Successor Franchises hereof, or at any other time will You or any of those over whom You have control make any unauthorized disclosure or use of Our Confidential Information. We will disclose the Confidential Information to You when rendering guidance and assistance to You under the terms of this Agreement, Including by way of example, furnishing the Manuals. You acknowledge and agree that the Confidential Information is proprietary, involves Our trade secrets and is disclosed to You solely on the express condition that You agree not to use the Confidential Information in the operation of any other business, to maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement, not to make any unauthorized copy, duplicate, record, or otherwise reproduce all or any portion of the Confidential Information disclosed in written form, to never contest the validity of Our exclusive ownership of and rights to the System or the Confidential Information, and to adopt and implement all reasonable procedures to prevent unauthorized use or disclosure of the Confidential Information, which procedures may be prescribed from time to time by Us.

16.3 Post-Term Covenants. Upon Termination for any reason of this Agreement, and any extensions thereof, or upon any Transfer or repurchase of Your rights hereunder and for a continuous, uninterrupted period of three years thereafter, neither You nor Your immediate family will, directly or indirectly, participate as an owner, operator, shareholder, director, partner, member, manager, consultant, agent, employee, contractor, advisor, officer, lessor, lessee, franchisor, franchisee or serve in any other capacity whatsoever or have any interest in or assist any person or entity in any business offering products or services the same as or substantially similar to Your Franchise Business or the System at the time of Termination or Transfer in any capacity or location within Your Territory or within 25 miles of Your Territory or within 25 miles of the territory of any Crumbl™ business operation at the time of Termination or Transfer of this Agreement. You will not divert or attempt to divert any business of or any customers of any Crumbl™ business operations to any other competitive establishment, by direct or indirect inducement or otherwise.

16.3.1 Tolling of Covenant. In addition to other remedies available to Us, in the event You compete during the term of non-competition, this non-compete time period will be tolled and extended for the period of Your competition, plus an additional six months.

16.4 Non-Solicitation of Customers. For three years after the Termination of this Agreement, You shall not, directly or indirectly, contact any customer of Ours or of another franchisee or of Your former Franchise Business for the purpose of soliciting from any such customer any business that is the same as or substantially similar to a Crumbl™ business.

16.5 Survival of Covenants. The foregoing covenants will survive the Termination of this Agreement and will apply regardless of whether this Agreement was Terminated by lapse of time, by default of either party, or for any other reason.

16.6 Acknowledgement of Harm. You acknowledge that Your violation or breach of the covenants and provisions of this Article XVI is likely to cause substantial and irreparable harm to Us and the System. You agree that the restrictions contained in this Agreement are reasonable and necessary for Our protection and the protection of other franchisees in the System, and 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 ability to enforce the covenants set forth in this Article.

16.7 Modifications. If any of the restrictions of this Article are determined to be unenforceable because of duration, scope or coverage or otherwise, they will be reduced to that level which provides the greatest restriction, but which is still enforceable. You and We agree that such restrictions will be enforced to the fullest extent possible.

16.8 Our Remedies. If the post-term restrictions of this Article XVI are unenforceable or are reduced to a level which We, in Our reasonable business judgment, find unacceptable, We may, in addition to any other remedies available to Us, require You, for a period of two years from the date of Termination of this Agreement, to pay a fee of one-half of the royalties and Marketing fees, which would be payable if the business in question was a Franchise Business.

16.9 Enforceability. You agree that the terms of the provisions of this Article XVI are fair and reasonable in light of the circumstances and were in part, based on the perceived or potential value of the System and the business relationship that You and/or Your entity has and will have with Us. It is the desire and intent of the parties to this Agreement that the provisions of this Article XVI be enforced to the fullest extent permissible under applicable laws. You understand and acknowledge that We have the right in Our sole discretion to reduce the scope of any covenant set forth above or any portion thereof, without Your consent, effective immediately upon receipt by You of written notice thereof; which modified covenant will be fully enforceable notwithstanding any other provision of this Agreement.

ARTICLE XVII
DISPUTE RESOLUTION

17.1 Quick Resolution. You and We understand that there is always a possibility of differences of opinion or other disagreements in any business relationship and agree that it is important to resolve any disputes amicably, quickly, inexpensively and professionally and to return to business as soon as possible.

17.2 Manner of Handling Disputes. You and We agree that except as otherwise expressly provided for herein, in the event any controversy, dispute or claim whatsoever ("Dispute") arises between Us and You in connection with, arising from, or with respect to, any provision hereof, the relationship created herein, or the validity of this Agreement or any provision hereof, or the offer and sale to You, such Dispute will be:

17.2.1 Face-to-Face Meeting. First discussed in a face-to-face meeting between You and Us in Salt Lake City, Utah, or at Our then-current headquarters within 30 days after either You or We give written notice to the other proposing such a meeting. We have the right, in Our sole discretion, to waive this requirement.

17.2.2 Mediation. If, in the opinion of either You or Us, the face-to-face meeting has not successfully resolved such matters and if desired by either You or Us, the matters will be submitted to non-binding mediation before Franchise Arbitration and Mediation Services ("FAM") or as otherwise mutually agreed. The mediation will be conducted exclusively in Salt Lake City, Utah. On election by either party, arbitration as provided below may proceed forward at the same time as mediation. The mediator will be disqualified as a witness, consultant, expert or counsel for any party with respect to the dispute and any related matters.

17.2.3 Arbitration. If in the opinion of either You or Us the mediation has not successfully resolved such matters, at the request of either You or Us, any Dispute will be submitted for arbitration to the offices of the American Arbitration Association in accordance with its commercial arbitration rules in effect. All arbitration hearings will be conducted exclusively in Salt Lake City, Utah. The arbitrator will have the power and jurisdiction to decide such controversy or dispute solely in accordance with the express provisions of this Agreement. The arbitrator will render a written opinion setting forth the facts found, law applied and reasons for the decision.

(i) Arbitration Procedures. In any arbitration, the parties will be entitled to specific performance of the obligations under this Agreement. The arbitrator may award or otherwise provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships and other pre-judgment, equitable and/or interim relief as appropriate pending final resolution by binding arbitration of a Dispute, as well as in connection with any such final resolution, and may issue summary orders disposing of all or part of a Dispute at any point. Each party consents to the enforcement of such orders, injunctions, etc., by any court having jurisdiction. Offers and/or other communications made in connection with, or related in any way to, mediation, possible settlement or other resolution of a Dispute will not be admitted into evidence or otherwise used in connection with any arbitration or other proceeding, and any arbitration award in violation of this provision will be vacated by the arbitration appeal panel (described below) and/or any court having jurisdiction. The arbitrator will have the power to order compliance with such discovery procedures, as well as assess sanctions for non-compliance with any order. Discovery will be controlled by the arbitrator and will be permitted to the extent set out in this Paragraph. Each party may submit in writing to the other party, and the other party will respond, to a maximum of any combination of 25 (none of which may have subplots) of the following: interrogatories, demands to produce documents, and requests for admission. You and We are also entitled to take the oral deposition of one individual of the other party. Additional discovery may be permitted upon mutual agreement of the parties. The arbitrator, and not a court, will decide any questions relating in any way to the parties' agreement or claimed agreement to arbitrate, Including a claim for fraud in the inducement or otherwise. Each participant must submit or file any Dispute that would constitute a

compulsory counterclaim (as defined by the applicable rule under the Federal Rules of Civil Procedure) within the same proceedings as the Dispute to which it relates. Any such Dispute that is not submitted or filed in such proceedings will be forever barred. The award and findings of the arbitrator will be conclusive and binding upon all parties hereto and the judgment upon the award may be entered in any Court of competent jurisdiction.

(ii) Individual Disputes. Any Dispute must be conducted and resolved on an individual basis only and not on a class-wide, multiple plaintiff or similar basis between You and Us and will not be consolidated with any other arbitration or court proceeding involving Us and any other party.

(iii) Agreed Limitations. Except for payments owed by one party to the other, claims attributable to Your underreporting of sales, or claims related to an act of Yours allowing Us to immediately terminate this Agreement, any legal action or arbitration proceeding (Including the offer and sale of a franchise to You) brought or instituted with respect to any Dispute hereunder must be brought or instituted within a period of 1 year from the date upon which a party discovered, or should have discovered, the facts giving rise to an alleged claim; provided that no claim may be brought more than 2 years after the first act or omission giving rise to an alleged claim.

(iv) Limited Damages. You and We waive any right or claim of any consequential, punitive or exemplary damages against each other and agree that in the event of a Dispute between You and Us, each will be limited to the recovery of actual damages sustained. You agree that We will not be liable for any act or omission which is consistent with this Agreement or which is done in subjective good faith. If You bring an action for alleged wrongful Termination of this Agreement and provided that the termination has not resulted in a closure of Your Franchise Business, Your sole remedy will be to be reinstated as a franchisee with no award of damages. If the Termination results in a closure of Your Franchise Business Your sole remedies will be reinstatement as a franchisee and to receive compensation for economic losses directly incurred by You as a result of such closure, conditioned upon Your duty to mitigate.

(v) Exceptions to Arbitration. You and We agree that nothing in this Agreement obligates Us to arbitrate or mediate Disputes or issues relating to: (a) the validity of the Marks, or any trademarks, service marks or other Intellectual Property; (b) rights to obtain a writ of attachment or other prejudgment remedies; (c) rights to receive and enforce a temporary restraining order, preliminary injunction, permanent injunction or other equitable relief; or (d) Disputes solely for fees and other monies owed by one party to the other under this Agreement.

(vi) Appeals. If any party to an arbitration wishes to appeal any final award by an arbitrator (there will be no appeal of interim awards or other interim relief), that party can appeal, within 30 days of such final award, to a 3-person arbitrator panel to be appointed by the same organization as conducted the arbitration to be held exclusively at the same location as specified above. The issues on appeal will be limited to the proper application of the law to the facts found at the arbitration and will not include any trial *de novo* or other fact-finding function. The party requesting such appeal must pay all costs and fees of the arbitrators and arbitration proceedings.

(vii) Sharing of Fees. Except for an appeal, the parties to the Dispute or action will share the fees and expenses of the mediation and the arbitration equally during the mediation and arbitration. If a party is unable or unwilling to pay its share of the upfront cost of the mediation or arbitration, the other party has the right to cover those costs; however, the prevailing party in

arbitration, Including on appeal, will be awarded costs and attorney's fees as set forth in Section 19.3 below.

(viii) Federal Arbitration Act. You and We mutually agree that all issues relating to arbitrability are governed exclusively by the Federal Arbitration Act and the federal common law of arbitration to the exclusion of any state statutes or common law and will be decided by the arbitrator. All provisions of this Agreement pertaining to venue, choice-of-laws, dispute avoidance and resolution will be strictly enforced, and You and We will rely on federal preemption under the Federal Arbitration Act.

ARTICLE XVIII
NOTICES

18.1 Notices. All notices permitted or required under this Agreement will be in writing and will be delivered by one of the following methods with notice deemed given as indicated: (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by facsimile transmission when confirmed by facsimile transmission, during normal business hours, Monday through Friday, holidays excepted; (iv) through the email address below or other verified email address when confirmed by receipt verification, which verification will not be withheld or otherwise denied; or (v) by certified or registered mail, return receipt requested, three days after deposit in the mail to the addresses indicated on Exhibit A-2.

18.2 Delivery. If You refuse or fail to accept any certified or overnight delivery, acceptance will be deemed to have occurred 48 hours after rejection or failure to accept such notice. Any notice delivered by mail in the manner herein specified will be deemed delivered and received three days after mailing.

18.3 Listed Addresses. The address specified herein for services of notices may be changed at any time by the party making the change by giving written notice to the other party by certified mail or as otherwise agreed by You and Us. Any notice to You may be delivered to the address set forth above or to the address of Your Franchise Business or office.

ARTICLE XIX
CONSTRUCTION AND JURISDICTION

19.1 Governing Law. Except as provided in Section 19.5, this Agreement will be governed, construed and interpreted in accordance with the laws of the State of Utah without giving effect to its conflicts of law provisions. You and We agree that the provisions of this Agreement will control the state or provincial laws by which this Agreement will be governed and any provisions of state or provincial law to the contrary or any statements in Our franchise disclosure document or otherwise required as a condition of registration or otherwise. If the governing law requires terms other than or in addition to those in this Agreement, then such terms will be deemed incorporated herein, but only to the extent necessary to prevent the invalidity of this Agreement or any of the provisions hereof or the imposition of civil or criminal penalties or liability. To the extent permitted by the laws of the state whose laws govern this Agreement, You hereby waive any provisions of law or regulations which render any portion of this Agreement invalid or unenforceable in any respect.

19.2 Jurisdiction. In order to facilitate our joint interests in having franchise issues determined in a consistent manner for application throughout the System, without in any way limiting or otherwise affecting Your and Our obligations regarding mediation and arbitration in accordance with the provisions of Article XVII, if there is any litigation between us, You and We hereby irrevocably consent to the exercise of general personal jurisdiction in the courts of record of the State of Utah even though it may be otherwise possible to obtain jurisdiction elsewhere, and You and We agree that Salt Lake County, Utah will be the exclusive venue for any litigation between Us and You. Each party waives any objection they may have to the personal jurisdiction of or venue in the state and federal courts of Utah.

19.3 Costs and Attorney's Fees. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or arbitration proceeding. The costs of mediation will also be awarded to the prevailing party in arbitration, if applicable. For purposes of this Agreement, "prevailing party" Includes, the Party which obtains a judgment in their favor, or agrees to dismiss an action or proceeding upon the other's payment of sums allegedly due or performance of the covenants allegedly breached, or which obtains substantially the relief sought. Reimbursement is due within 30 days of written notice after prevailing.

19.4 No Jury Trial. You and We waive, to the fullest extent permitted by law, all rights to trial by jury in any action or Dispute, whether at law or in equity, brought by either party.

19.5 Exception. Notwithstanding the foregoing, the Federal Arbitration Act (9 U.S.C. §§ 1 Et. Seq.) and the United States Trademark Act (Lanham Act, U.S.C § 1051 Et. Seq.) will apply to this Agreement and the relationship of the parties and preempt any state law to the contrary.

19.6 No Limitation of Our Rights. We may, in Our discretion, elect not to enforce or selectively enforce any provision of this Agreement whether with respect to You or any other franchisee and such acts or omissions will not limit or otherwise affect Our rights to strictly enforce this Agreement.

ARTICLE XX
MISCELLANEOUS

20.1 Headings. Headings used in this Agreement are for reference and convenience purposes only and are not to be used in construing the provisions of this Agreement. As used herein, the male or female gender will include the other and the neuter. The singular will include the plural and the plural will include the singular as appropriate.

20.2 No Third-Party Rights. The parties intend to confer no benefit or right on any person or entity not a party to this Agreement and no third parties will have any right or claims, benefit or right or a third-party beneficiary under this Agreement or any provision hereof. Similarly, You are not entitled to claim any rights or benefits, Including those of a third-party beneficiary, under any contract, understanding or agreement between Us and any other person or entities, unless that contract, understanding or agreement specifically refers to You by name and specifically grant rights or benefits to You.

20.3 Authority. Where an entity is a party to this Agreement, the person or persons signing this Agreement on behalf of the entity warrant to Us that he, she or they have the requisite authority to sign this Agreement. At Our request, the concerned company signatory agrees to promptly provide Us with a certified copy of the resolution authorizing the execution of this Agreement and naming the officers, directors, members, or managers of the entity who are authorized to sign this Agreement on behalf of the entity. No field representative or salesperson has the right or authority to sign this Agreement or make oral representations or written modifications hereof on Our behalf.

20.4 No Partial Payments. No payment by You or receipt by Us of any amount less than that required to be paid under this Agreement, or otherwise, to Us or any person or entity affiliated with Us, will be deemed to be anything except payment on account, regardless of any endorsement to the contrary contained on any such payment or in any oral or written communication transmitted in connection therewith.

20.5 Joint and Several Liability. If two or more persons, corporations, limited liability companies, partnerships or other entities, guarantors or any combination thereof, sign this Agreement, the liability of each will be joint and several. All members of a general partnership and all members of any association or other unincorporated entity, which is part of the franchisee hereunder, are jointly and severally liable for Your performance hereunder.

20.6 No Off-Set or Withholdings. You covenant and agree that You will not offset nor withhold the payment of any royalties, Fees, payments or other amounts due to Us or Our affiliates or suppliers on grounds of the alleged non-performance by Us of any of Our covenants or obligations hereunder, any dispute of any nature or otherwise.

20.7 Disclosure. We can disclose, in disclosure documents or otherwise, information relating to Your Franchise Business, Including Your name, address, phone numbers, financial information, copies or reports, and other information.

20.8 Binding Agreement. This Agreement is binding upon the heirs, administrators, personal representatives, assigns and successors in interest to the parties hereto.

20.9 Force Majeure. Neither party will be liable by reason of any failure or delay in the performance of such applicable party's obligations hereunder on account of strikes, fires, flood, storm, explosion or other cause which is beyond such party's reasonable control. This Section 20.9 will not be interpreted to relieve You from Your obligation to pay Us when due all payments required to be made by You under this Agreement.

20.10 Entire Agreement. The parties intend this Agreement and all attached exhibits hereto to be the full and complete agreement between Us and You and the entire integration of all our understandings of every nature concerning the matters contained in this Agreement or in any way related thereto, whether oral or written, and whether occurring before or contemporaneously with the execution of this Agreement. You represent and acknowledge that no agreements, representations, negotiations, promises, commitments, inducements, assurances, terms, conditions, or covenants of any nature exist between You and Us except as specifically set forth in this Agreement, whether pertaining to this Agreement or to any future, further or additional rights of either You or Us. Nothing in this Agreement, or in any related agreement, is intended to be a disclaimer of the representations We made to You in the franchise disclosure document.

20.11 Amendments. No amendment, change or variance from this Agreement will be binding on either party unless executed in writing; however, the Manuals and policies and procedures may be modified by Us from time to time as set forth in this Agreement, and are binding.

20.12 Effective Date. This Agreement will become effective only when fully executed and accepted by Us at Our headquarters.

20.13 No Course of Dealing. No course of dealing between You and Us will affect Your or Our rights under this Agreement or otherwise.

20.14 No Representations. You understand that the success or failure of Your Franchise Business depends, in major part, upon Your efforts. You agree that We have not made nor have You received any promise, representation or warranty that: 1) any payments by You are refundable at Your option; 2) We will repurchase any rights granted hereunder; 3) You will achieve any particular sales, income or other levels of performance or that You will be successful in Your Franchise Business licensed by this Agreement; 4) You will have any exclusive rights of any type other than as expressly set forth herein; 5) You will receive any level of Marketing assistance, site location, development or other services, operational assistance or otherwise other than as expressly set forth in this Agreement; 6) You will not be required to obtain any licenses in order to operate Your Franchise Business; 7) any location will be successful; or 8) that You will be awarded additional or further franchises or other rights, except as expressly set forth in a written document signed by Us.

20.15 Variances. You understand and agree that: 1) We may have offered franchises in the past, may currently be offering franchises or may offer franchises in the future, on economic or other terms, conditions and provisions which may significantly differ from those offered by this Agreement and any related documents; and 2) there may be instances where We have varied, or will approve exceptions to or changes in the uniform standards or the terms on which We offer franchises, the charges We make, or otherwise deal with Our franchisees to suit the circumstances of a particular transaction that We believe are necessary or desirable under particular circumstances. You have no right to object to such variances or to obtain the same variances for Yourself.

20.16 No Misrepresentations. You further represent to Us, as an inducement to Our entry into this Agreement, that You have made no misrepresentations in obtaining the award of this Franchise.

20.17 Representations of Non-Violation. You represent and warrant that You can enter into this Agreement and that the execution and performance of this Agreement will not be in violation or breach, or cause the violation or breach, of any agreement or covenant between them or any of them and any third party or the violation or breach of any order, decree or judgment of any court or administrative agency.

20.18 FDD Acknowledgement. You represent that You have had a copy of Our Franchise Disclosure Document ("FDD") for at least 14 calendar days or 10 business days, whichever is applicable in Your state, prior to signing this Agreement or making any payment to Us, and during which time You had the opportunity to submit the FDD for review by legal counsel.

20.19 Waiver. We may, in writing, unilaterally waive any of Your obligations or requirements under this Agreement. Waiver by Us of any particular default by or obligation of You will not affect or impair Our rights with respect to any subsequent default by You or any of Our other rights to declare the same or subsequent acts a breach or default. Unless otherwise agreed to by Us in writing, Our acceptance of any payments due from You does not waive any prior defaults.

20.20 Counterpart and Electronic Signatures. This Agreement and its exhibits may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature with full legal force and effect, and may be used for all purposes as if it were an original.

20.21 Owners of the Franchise. You represent and We rely upon Your representations in entering into this Agreement that the individuals in Exhibit A-2 are the owners of and sole holders of a legal and beneficial interest in Your Franchise Business.

20.22 Drafting. You acknowledge that You have read this Agreement, have had the opportunity to review it with an attorney of Your respective choice and agree to all of its terms. You agree that the rule of construction that a contract be construed against the drafter will not be applied in interpreting this Agreement.

ARTICLE XXI
DEFINITIONS

"Confidential Information" means any information relating to Your Franchise Business, Our Products or services, or the development or operation of a Crumbl™ business or relating to the System as a whole, Including: (i) methods for the preparation of Crumbl™ Products; (ii) Our recipes, Including, ingredients, flavors, composition, mixes, spices, sauces, and dressings, preparation, formulation, trade secrets, methods, techniques, formats, layout, trade dress, specifications, hardware, software, systems, proprietary technology, procedures, equipment, sales and Marketing programs, techniques, knowledge, and experience in the development and operation of Crumbl™ businesses; (iii) knowledge of, specifications for, and suppliers of, certain Crumbl™ Products, materials, supplies, equipment, furnishings and fixtures; (iv) knowledge of operating results and financial performance of Crumbl™ businesses; (v) Our strategic plans and concepts for the development, operation, or expansion of Crumbl™ businesses; (vi) the contents of Our Manuals or any other information obtained from Us in confidence at any time by virtue of the franchise or license relationship; (vii) all Customer

Data, Including phone numbers and email addresses whether created by Us or You; and (viii) certain other Intellectual Property generally deemed confidential. Confidential Information further includes all enhancements or modifications to the System or any component part of the System whether developed or discovered by Us or You. You acknowledge and agree that prior to the execution of this Agreement, You received information and have met and corresponded with Our principals, agents and/or representatives and that any Confidential Information obtained or received as part of any prior meeting or correspondence is subject to the protection and restrictions of this Agreement.

"Fees" refers to those fees, payments, and costs You are required to pay to Us Including for royalties, Marketing fund, operational assistance, training, interim management, fines, and similar expenses, as more fully set forth on Exhibit A-3 attached hereto and by reference incorporated herein.

"Gross Sales" Includes the total of all sales of all products, merchandise, goods or services sold, traded, bartered, or rendered by You and income of every kind and nature, Including the value of a trade or other bartering, arising from Your Franchise Business and tangible property of every kind sold by You during the term of this Agreement. "Gross Sales" excludes bona fide credits and returns for products and excludes amounts paid by You for sales or use taxes on the sale of any products or services.

"Including" or "Includes" throughout this Agreement, means "including but not limited to," "including, without limitation," and similar all-inclusive and non-exhaustive meanings.

"Intellectual Property" means all parts of the System particular to Us and collectively Includes all Marks, trade dress, names, copyrights, systems, patents, patent applications, trade secrets, software, recipes, formulations, operations, Manuals, and other proprietary information.

"Internet" means any present or future interactive system for electronic communications, using lines, cables, wireless, satellite, radio or any other technology; and which involves one or more of the following: the system of interconnected computer networks that use the internet protocol suite (TCP/IP) or its successor; websites or similar remotely-accessible electronic information sources (whether password protected or not); use of domain names, other locators, or emails that use our trademarks; internet phone services; cellular or similar messaging; mobile applications; social networks or Social Media; or wikis, podcasts, online content sharing communities, or blogging.

"Manuals" consists of one or more guides or manuals, Including an operations manual and/or policies and procedures manual, technical bulletins or other written materials as may be developed, modified and supplemented by Us periodically. The Manuals may be in printed or in an electronic format in Our discretion. We reserve the right to require You to use an electronic version of the Manuals and to require You to access the document using the Internet or an intranet created and supported by Us. You understand and agree that aside from the uses permitted specifically under law, it is unlawful and a criminal offense to duplicate or reproduce any copyrighted or other proprietary materials.

"Marketing," "Market," "marketing," and "market" includes advertising, brand development, promoting and selling products and/or services, market research and other related processes whether utilized or developed now or in the future.

"Marks" means the federally registered and common law trademarks and service marks owned by Us, whether now or later developed. "Marks" will also include any and all names, trade names,

trademarks, slogans, service marks, logos and/or other commercial property or symbols licensed to You pursuant to this Agreement or used in connection with the System or later added to the System.

"Crumbl™ Product" means any and all of the Crumbl™ and other products and menu items that are sold or offered for sale by Us, Our affiliates, or by licensees or franchisees of Us at a Crumbl™ business.

"Operating Account" is defined as that account into which all receipts of Your Franchise Business must be deposited.

"Operating Principal" is: a) You if You as the franchisee are an individual; or b) if You are an entity, an individual that owns at least 10% of the ownership and voting interests in the franchisee entity (unless You obtain Our written approval of a lower percentage), has authority over all business decisions related to the Franchise Business, and has the power to bind You in all dealings with Us.

"Social Media" means any and all websites and web or Internet pages for social interaction, business operation, Marketing, and other online information communications, whether now or later developed.

"Termination or Terminate" Includes expiration, non-renewal, repurchase of Your rights, non-granting of a Successor Franchise, non-renewal, transfer, or any other means by which this Agreement is no longer in effect and wherein You are no longer a franchisee of the Crumbl™ System.

"We," "Our(s)" or "Us" only as applied to Paragraphs 2.2.3, 10.1.1, 10.1.2, and 14.8.7, Sections 3.1, 3.5, 11.1, and 16.4, and Articles XI, XV Includes Our predecessors, parents, affiliates, subsidiaries, and Our officers, directors, shareholders, members, managers, employees, agents, development agents, or others with whose conduct We are chargeable, as applicable.

"You" or "Your" Includes all signers of this Agreement, all current and subsequent guarantors, all subsequent and current members, Operating Principals, owners, partners, shareholders, managers, directors, officers, agents, affiliates, principle employees and with those whose conduct You are chargeable.

[INTENTIONALLY LEFT BLANK]

WE CANNOT RELIABLY PROJECT YOUR FUTURE PERFORMANCE, REVENUES OR PROFITS, AND YOU REPRESENT, COVENANT AND AGREE THAT WE HAVE MADE NO REPRESENTATIONS OR WARRANTIES CONCERNING YOUR SUCCESS AS A FRANCHISEE AND WE DISCLAIM ANY WARRANTY OR REPRESENTATION AS TO THE POTENTIAL SUCCESS OF THE BUSINESS OPERATIONS UNDER THIS FRANCHISE AGREEMENT. THE SUCCESS OF YOUR BUSINESS IS LARGELY DEPENDENT ON YOUR PERSONAL EFFORTS.

WE EXPRESSLY DISCLAIM THE MAKING OF ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES REGARDING THE SALES, EARNING, INCOME, PROFITS, GROSS REVENUES, BUSINESS OR FINANCIAL SUCCESS, OR VALUE OF YOUR FRANCHISE BUSINESS.

YOU ACKNOWLEDGE THAT YOU HAVE HAD AN OPPORTUNITY TO HAVE THIS AGREEMENT AND RELATED DOCUMENTS REVIEWED BY YOUR OWN ATTORNEY.

IF FRANCHISEE IS A CORPORATION, LIMITED LIABILITY COMPANY, OR OTHER ENTITY, ALL SHAREHOLDERS, MEMBERS, AND OWNERS OF THE CORPORATION, LIMITED LIABILITY COMPANY, OR OTHER ENTITY MUST EXECUTE A GUARANTY AND ASSUMPTION OF OBLIGATIONS, ATTACHED HERETO AS EXHIBIT A-11.

IN WITNESS WHEREOF, Franchisor and Franchisee have respectively signed and sealed this Franchise Agreement effective as of the day and year first written above.

FRANCHISOR:

CRUMBL FRANCHISING, LLC

By: _____
(Signature)

Name: _____

Title: _____

FRANCHISEE:

_____
(Entity Name)

By: _____
(Signature)

Name: _____

Title: _____

If the franchisee is not an entity, each person must sign personally.

By: _____
(Signature)

Name: _____, personally

By: _____
(Signature)

Name: _____, personally

By: _____
(Signature)

Name: _____, personally

By: _____
(Signature)

Name: _____, personally

By: _____
(Signature)

Name: _____, personally

EXHIBIT A-1
TO THE FRANCHISE AGREEMENT

TERRITORY:
(Map may be attached)

The Territory will consist of a _____-mile radius from the following location: _____.

_____
Franchisor Initial and Date

_____
Franchisee Initial and Date

LOCATION OF PREMISES

APPROVED PREMISES LOCATION:

The Franchise Premises is approved for the following location only: _____.

_____
Franchisor Initial and Date

_____
Franchisee Initial and Date

Our approval of the Territory or a site is not a guarantee or a warranty of the potential success of a territory or a site.

EXHIBIT A-2
TO THE FRANCHISE AGREEMENT

COMPANY REPRESENTATIONS AND WARRANTIES

You make the following additional warranties and representations:

You are a (check one):

□ Partnership □ Corporation
□ Sole Proprietorship □ Limited Liability Company

Name of Entity: _____
State Entity was formed: _____/Date of Formation: _____
EIN: _____

If You are a corporation, partnership, or limited liability company, please write below the name and address of each shareholder, partner, or member holding an ownership interest in the corporation, partnership or limited liability company, as well as the name of the shareholder, partner, or member who will attend training (please print or type names and add extra lines if necessary):

Name	**Address**	**Shares & Percentage of Interest***

*Corporation: Percentage owned of outstanding voting stock.
*Partnership: Percentage owned in voting and in capital and profits.
*Limited Liability Company: Percentage owned in membership interest.

List the names of the managers and officers of the Company:

Name	**Title**	**Manager/Officer**

The address where Your records are maintained is: _____
_____
_____.

The name and address of the Operating Principal who has been approved by Us and who will

be directly responsible for supervising Your business operations and who has authority to work with us and make decisions relating to the operations of the franchise business:
Name: _____
Address: _____
Email: _____

You agree to provide us a copy of Your articles of organization and operating agreement or articles of incorporation and bylaws by _____, 20___.

All notices must be sent to the following address as required by Article XVIII of the Agreement.

FRANCHISOR:	**FRANCHISEE:**
Crumbl Franchising, LLC 160 E University Pkwy, Ste J Orem, Utah 84058 (or Our then-current headquarters) Email: franchise@crumbl.com With a courtesy copy to (which will not act as notice or service to Crumbl Franchising, LLC): The Franchise & Business Law Group Attn : Nate Whitaker 57 West 200 South, Ste 350 Salt Lake City, Utah 84101 Email: nwhitaker@fblglaw.com	_____, LLC/Inc. _____ _____ Email:_____

IN WITNESS WHEREOF, Franchisee has executed this Company Representations and Warranties as of _____ (Date).

FRANCHISEE:

_____
(Entity Name)

By: _____
(Signature)

Name: _____

Title: _____

EXHIBIT A-3
TO THE FRANCHISE AGREEMENT

FEE CHART

Type of Fee*	Amount	Notes
Initial Franchise Fee*	$25,000	Payable in one lump sum
Successor Franchise Fee*	$2,500	
Royalty*	7% of gross sales	Payable weekly
Marketing Fee*	3% of gross sales	Payable weekly
Transfer Fee*	$2,500	
Late Fees	$25 per day per late fee or report	Up to $500 per late fee, plus 18% interest (or the maximum rate permitted by state law). You will also be charged $40 for any bounced checks or drafts.
Additional Trainees at Initial Training	$50 per person/per day	Plus, Your and Your attendees' travel, lodging, food, and other expenses
Additional Training or Assistance	$250 per person per day	Plus, travel, lodging, food, and other expenses
New Operating Principal or Management Training	$1,500 per person to be trained at our headquarters	Plus, Your and Your attendees' travel, lodging, food, and other expenses
Conference Fee	Our then-current fee for conferences or seminars. Currently the fee is $0 per day as noted in Item 11 in FDD.	Payable if You want to have unapproved suppliers evaluated by Us.
Supplier Evaluation Fee	$2,000, plus reasonable expenses, at cost	Plus, Your and Your attendees' travel, lodging, food, and other expenses
Interim Management Fee	Our then-current fee; currently the fee is $250 per day, per representative, or our then-current rate, plus food, travel and lodging for our representative(s) and other expenses which may be incurred by us to perform such services.	Payable if we elect to operate your business during your unapproved closing, unapproved absence, incapacity, death, or if you are not in compliance. We can adjust this fee at any time. You must also pay the travel, lodging, food, and other expenses for our representative(s) and other expenses which may be incurred by us to perform such services, plus royalties, advertising fees and other

		applicable fees.
System non-compliance fines and charges	Amounts to be specified in our manual. Currently ranging between $50 and $1,000.	These fines are for certain defaults in your compliance with our manual.
Email Account Fee	$10 per additional user per month.	We will provide you with one free email account. Any additional accounts will be provided for $10 per user per month, or whatever Google charges. This fee will be updated periodically in our manuals.
Technology Fee	$350 per month	This fee is for software and other technology provided or required by us. This fee will be updated periodically in our manuals.

* All fees, except those identified with an *, are the current fees and may be changed in the Manuals in Our discretion. There may be other fees and fines listed in the Manuals.

EXHIBIT A-4
TO THE FRANCHISE AGREEMENT

PRINCIPAL CONFIDENTIALITY & NON-COMPETITION AGREEMENT

This PRINCIPAL CONFIDENTIALITY & NON-COMPETITION AGREEMENT (the "Agreement") is entered into as of the Effective Date (defined below), by and between CRUMBL FRANCHISING, LLC, a Utah corporation/limited liability company ("Franchisor" or the "Company") and all of the undersigned (each a "Principal").

WHEREAS, Franchisor has developed a system for the operation of a cookie delivery business known as Crumbl™, which markets cookies and other related products and services ("Crumbl™ Business"). The system Includes: the Franchise Business, specific Marks, Manuals, the use of required equipment; recipes, mixes and formulas; processes, services, teaching methods, uniform standards, and know-how; a Marketing plan, operations, training procedures and Marketing concepts; décor, color schemes general store layout; the sale of products and services under the name Crumbl™ and other trademarked items; and the use of confidential information ("System" or "Crumbl™ System"); and

WHEREAS, Principal or his or her company entered into an agreement with Franchisor ("Franchise Agreement") so as to be able to obtain the rights to operate a Crumbl™ Business using the System developed by Franchisor, Including certain confidential and proprietary information of Franchisor ("Franchise Business"); and

WHEREAS, Principal will have access to such confidential information; and

WHEREAS, Principal recognizes the value of the System and the intangible property rights licensed under the Franchise Agreement and recognizes that the Franchisor's entering into the Franchise Agreement is conditioned upon Principal entering into this Agreement; and

WHEREAS, all capitalized terms used, but not defined, herein will have the respective meanings assigned to them pursuant to the Franchise Agreement, and all references herein to "Article," "Sections" and "Paragraphs" refers to articles, paragraphs and sections of the Franchise Agreement.

NOW THEREFORE, in consideration of Franchisor entering into the Franchise Agreement with Principal or his or her company, the recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Acknowledgment. Principal acknowledges that he or she has obtained or may obtain knowledge of confidential matters regarding the System that are owned by Franchisor and necessary and essential to the operation of the Franchise Business, Including recipes, mixes, spices, formulas, food preparation techniques, store guide, financial information, teaching methods, protocols, standards, merchandising, sale of products and services, products, know-how, trade secrets, sourcing of products, marketing plans, pricing, accounting systems and procedures, specifications, manuals, business plans, suppliers, customer lists, technical designs or drawings that relate to the Franchise Business and the Crumbl™ System (collectively, "Confidential Information"), without which information the Franchise Business could not efficiently, effectively and profitably operate. Principal shall disclose to Franchisor, within 10 days after receipt of such Confidential Information, as to whether such confidential information was known to him. Principal agrees that by not providing such disclosure to Franchisor, Principal is acknowledging and representing that that such confidential information was

not known to Principal prior to the association with Franchisor.

2. Non-Disclosure. Except as may be required under the Franchise Agreement, neither Principal nor any of Principals' family will, during the term of the Franchise Agreement and any Successor Franchise or Successor Franchise Agreement or any time thereafter, directly or indirectly, use, or disclose to any third party, or authorize any third party to use, any Confidential Information, or information otherwise relating to the Franchise Business or interest of Franchisor, the System, or materials that he or she knows, or reasonably should know, is regarded as confidential to Franchisor. The parties intend that the information disclosed by Franchisor prior to the actual execution of this Agreement will constitute Confidential Information and will be subject to all the terms and conditions of this Agreement (Including the covenants protecting against disclosures) as if such information had been disclosed following the execution of this Agreement.

3. No Reverse Engineering. Principal will not, either personally, in concert with others or through other authorization, reverse engineer, decompile or deconstruct or attempt to reverse engineer, decompile or deconstruct any portion of the Confidential Information, and will not allow, encourage or permit any partner, owner, director, member, manager, agent, employee or other person to do so. For purposes of this Agreement, reverse engineering will include any deviations from the Confidential Information that make minimal changes to the process, procedure, or ingredients such that the final result is identical or substantially similar to the result that would reasonably be expected to result from the Recipes.

4. Modifications/Inventions. Principal agrees that, without limitation, any modifications, alterations, changes, invention, or improvements conceived, designed, devised, developed, perfected or made by Principal, whether alone or in conjunction with others, and related in any manner to the actual or anticipated operation of the Franchise Business, System, or to any area of research and development that might be related to the System ("Inventions"), must be promptly disclosed to the Franchisor and such Inventions will become the property of the Franchisor, and Principal hereby irrevocably assigns, transfers, and conveys any Inventions to Franchisor.

5. Non-Competition. Principal, Principal's family and Franchisor share in a common interest in avoiding situations where persons or companies who are or have been Crumbl™ franchisees operate or otherwise become involved with a substantially similar competing business. Therefore, the following covenants will be enforced during and after the term of the Franchise Agreement.

5.1 In-Term Covenant. During the term of the Franchise Agreement and for any extensions or Successor Franchises hereof, except as permitted under the Franchise Agreement, Principal agrees that neither Principal nor Principal's family, nor any shareholders, owners, partners, directors, members, managers, officers, agents, affiliates, or principal employees will own, operate, lease, franchise, conduct, consult with, engage in, be connected with, have any interest in, or assist any person or entity engaged in or on its own account or as an employee, consultant, contractor, partner, officer, director or shareholder of any business offering products or services the same as or substantially similar to the Franchise Business or the System in any capacity or location, except with Franchisor's prior written consent. Principal understands and acknowledges that to violate this Section will create irreparable harm.

5.2 Post-Term Covenant. Upon Termination for any reason of the Franchise is Agreement, and any extensions thereof, or upon any Transfer or repurchase of Principal's rights under the Franchise Agreement, and for a continuous, uninterrupted period of three years thereafter, neither

Principal, nor Principal's family, nor any members, managers, owners, partners, officers, directors, agents, affiliates or principal employees of Principals' company, will, directly or indirectly, participate as an owner, operator, shareholder, director, partner, consultant, agent, member, manager, employee, contractor, advisor, officer, lessor, lessee, franchisor, franchisee or serve in any other capacity whatsoever or have any interest in or assist any person or entity in any business offering products or services the same as or substantially similar to the Franchise Business or the System at the time of Termination or Transfer in any capacity or location within the Territory or within 25 miles of the Territory or within 25 miles of the territory of any System franchise or Crumbl™ business operation at the time of Termination of the Franchise Agreement. The ownership of not more than 2% of the voting stock of a publicly held corporation will not be considered a violation of the foregoing provision. Principal agrees that the Franchise Business attracts customers from up to 25 miles, and that such geographical restraint is not unreasonable.

5.2.1 Tolling of Covenant. In the event Principal competes during the term of non-competition, this non-compete time period will be tolled and extended for the period of Principal's competition, plus an additional six months.

6. Non-Solicitation of Customers. Principal will not, during the term of the Franchise Agreement and any extensions or Successor Franchise and for three years thereafter, directly or indirectly, contact any customer of Franchisor for the purpose of soliciting from any such customer any business that is the same as or substantially similar to the business conducted between Principal or Principals' company and the customer, or Franchisor or Franchisor's affiliate and the customer. All Customer Data belongs to Franchisor.

7. Return of Materials. Upon Termination of the Franchise Agreement or Principal's disassociation from the franchise entity, Principal agrees to deliver to Franchisor (and will not keep a copy in his or her possession or deliver to anyone else) the Crumbl™ Manuals and any and all recipes, mixes, books Customer Data, Confidential Information, vendor lists, records, data, designs, photographs, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, materials, equipment, and documents or property relating to the System.

8. Irreparable Harm. Principal hereby acknowledges and agrees that any breach by him or her of any portion of Sections 1 through 7 above, inclusive, will cause damage to Franchisor in an amount difficult to ascertain. Accordingly, in addition to any other relief to which Franchisor may be entitled, Franchisor, will be entitled to temporary, preliminary, and/or permanent injunctive relief for any breach or threatened breach by any Principal of any of the terms of Section 1 through 6 above, inclusive, without proof of actual damages that have been or may be caused to Franchisor by such breach. Additionally, Principal agrees that the existence of any claims Principal may have against Franchisor, whether or not arising from this Agreement of the Franchise Agreement, shall not constitute a defense to Franchisor's ability to enforce the covenants set forth in this Agreement.

9. Reasonableness and Enforceability. Principal agrees that the terms of this Agreement are fair and reasonable in light of the circumstances and were in part, based on the perceived or potential value of the System and the business relationship that Principal and/or his or her company have and will have with Franchisor. If any portion of this Agreement will be held invalid or inoperative, then, so far as is reasonable and possible, the remainder of this Agreement will be considered valid and operative, and effect will be given to the intent manifested by the portion held invalid or inoperative. Whenever the context so requires, the masculine will include the feminine and neuter and the singular will include the plural and conversely.

10. Governing Law and Jurisdiction. The validity, enforcement, construction, rights and liabilities of the parties and provisions of this Agreement will be governed by and interpreted in accordance with the laws of the State of Utah without giving effect to its conflicts of law provisions. If for any reason court action is filed, Principal consents to the jurisdiction of the courts of record in the State of Utah and agrees that proper jurisdiction and venue for all dispute resolution will be exclusively in the state and federal courts of Salt Lake County, State of Utah.

11. Attorneys' Fees and Costs. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding.

12. Binding Agreement. This Agreement will bind the successors and assigns of Principal and his or her heirs, personal representative, successors and assigns. No rights under this Agreement are assignable by Principal and any purported assignment will be null and void and of no force or effect.

13. Survival of Covenants. All covenants made in this Agreement by Principal will survive the Termination of this Agreement or the Franchise Agreement or Principal's disassociation with the Franchise Business or the System in any way.

14. Modification of Agreement. This Agreement may be amended in whole or in part only by an agreement in writing signed by the parties.

15. Counterpart Signatures. This Agreement may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

16. Third Party Beneficiary. It is agreed and acknowledged that Crumbl Franchising, LLC is a third-party beneficiary to this Agreement.

PRINCIPAL ACKNOWLEDGES THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ITS CONTENTS.

IN WITNESS WHEREOF, the parties have executed this Agreement as of _____ ("Effective Date").

FRANCHISOR:	**PRINCIPAL:**
Crumbl Franchising, LLC	_____
By: _____ (Signature)	By: _____ (Signature)
Name: _____	Name: _____
Title: _____	Title: _____

By: _____
(Signature)

Name: _____

Title: _____

By: _____
(Signature)

Name: _____

Title: _____

By: _____
(Signature)

Name: _____

Title: _____

By: _____
(Signature)

Name: _____

Title: _____

EXHIBIT A-5
TO THE FRANCHISE AGREEMENT

MANAGEMENT EMPLOYEE CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

THIS EMPLOYEE CONFIDENTIALITY AND NON-COMPETITION AGREEMENT is entered into as of the Effective Date (defined below), between _____ ("Franchisee") and _____ ("Employee"), residing at _____
_____.
[City] [State] [Zip Code]

WHEREAS, Crumbl Franchising, LLC ("Crumbl™" or "Franchisor") has developed confidential and proprietary mixes, recipes, spices, processes, methods, formulas, trade secrets, trademarks, service marks, methods, systems, and procedures for use in the operation of Crumbl™ franchise businesses within Crumbl's system, and Crumbl™ will continue to develop new recipes and revise current mixes, recipes, spices, processes, methods, formulas and other menu items (collectively the "Proprietary Information");

WHEREAS, Franchisee is the holder of a Crumbl™ franchise and as such is the temporary beneficiary of the Proprietary Information.

WHEREAS, Employee may in the course of his or her employment by Franchisee have access to such Proprietary Information.

NOW, THEREFORE, in consideration of the employment (or continued employment) of Employee by Franchisee, the parties hereto agree as follows:

1. Acknowledgement. Employee acknowledges that during the course of his or her employment by Franchisee he or she has obtained or may obtain knowledge of the Proprietary Information and other confidential matters and procedures developed, licensed to or owned by Franchisor and made available to Franchisee, which are necessary and essential to the operation of the business of Franchisee, which without such information, Franchisee could not efficiently, effectively and profitably operate its franchise. Employee further acknowledges that such Proprietary Information was not known to him or her prior to his or her employment.

2. Non-Disclosure. Except as may be required in the performance of duties for Franchisee, Employee will not, during the course of his or her employment and thereafter, directly or indirectly, use, or disclose to any third party, or authorize any third party to use, any information relating to the business or interest of Franchisee or Franchisor, which he or she knows or reasonably should know is regarded as confidential to Franchisee or Franchisor, Including trade secrets, recipes, mixes, sauces, techniques, food preparation, store guide**,** teaching methods, standards, merchandising, Marketing, sale of products and services, specifications, suppliers, pricing, accounting systems, procedures, sales, income, specifications, products, manuals, business plans, customer lists, that relate to Franchisee's business, the Crumbl™ System.

3. Non-Competition. Employee will not, during the course of his or her employment by Franchisee, and for one year thereafter, directly or indirectly in any capacity, without Franchisee's prior written consent, engage in a business, or plan for or organize a business, or have any financial

interest in, or become an owner, officer, director, shareholder, partner, associate, employee, contractor, agent, representative or consultant in any business offering or selling products or services the same or substantially similar to a Crumbl™ business. Without limiting the generality of the foregoing, the minimum area of competitive nature will be that area within a 10-mile radius of Franchisee's place of business or within a 10-mile radius of any of Crumbl's franchise or business operation, or that of its parent, subsidiary or affiliate, at the time of Employee's termination of employment. The ownership of not more than 2% of the voting stock of a publicly held corporation will not be considered a violation of the foregoing provision.

4. Non-Solicitation of Customers. Employee will not, during the course of his or her employment and for one year thereafter, directly or indirectly, contact any customer of Franchisee for the purpose of soliciting from any such customer any business that is the same as or substantially similar to the business conducted between Franchisee and the customer.

5. Return of Materials. At the termination of employment, Employee agrees to deliver to Franchisee (and will not keep in his or her possession or deliver to anyone else whether in hard or electronic soft copy) the Crumbl™ manuals and any and all records, data, designs, photographs, mixes, sauces, food preparation, recipes, notes, reports, proposals, lists, correspondence, specifications, drawings, plans, sketches, materials, equipment, other documents or property, or reproductions of any such items belonging to Franchisor or Franchisee, or either of their successors or assigns relating to the Crumbl™ business and the System.

6. Irreparable Harm. Employee hereby acknowledges and agrees that any breach by him or her of any portion of Sections 1 through 5 above, inclusive, will cause damage to Franchisee and Franchisor in an amount difficult to ascertain. Accordingly, in addition to any other relief to which Franchisee may be entitled, either Franchisee or Franchisor will be entitled to enforce this Agreement and to seek temporary, preliminary, and/or permanent injunctive relief for any breach or threatened breach by Employee of any of the terms of Section 1 through 5 above, inclusive, without proof of actual damages that have been or may be caused to Franchisee or Franchisor by such breach, and without the requirement of posting bond.

7. Enforceability. If any portion of this Agreement will be held invalid or inoperative, then, so far as is reasonable and possible, the remainder of this Agreement will be considered valid and operative, and effect will be given to the intent manifested by the portion held invalid or inoperative. Whenever the context so requires, the masculine will include the feminine and neuter and the singular will include the plural and conversely.

8. Binding Agreement. This Agreement will bind the successors and assigns of Franchisee and the heirs, personal representative, successors and assigns of Employee. No rights under this Agreement will be assignable by Employee and any purported assignment will be null and void and of no force or effect.

9. Survival of Covenants. All covenants made in this Agreement by Employee will survive the termination of this Agreement.

10. Modification of Agreement. This Agreement may be amended in whole or in part only by an agreement in writing signed and dated by the parties.

11. Counterpart Signatures. This Agreement may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

12. Third Party Beneficiary. It is agreed and acknowledged that Crumbl Franchising, LLC is a third-party beneficiary to this Agreement.

EMPLOYEE ACKNOWLEDGES THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ITS CONTENTS.

IN WITNESS WHEREOF, the parties have executed this Agreement as of _____ ("Effective Date").

FRANCHISEE:	**EMPLOYEE:**
_____	_____
By: _____ (Signature)	_____ (Signature)
Name: _____	_____ (Print Name)
Title: _____	

EXHIBIT A-6
TO THE FRANCHISE AGREEMENT

EMPLOYEE CONFIDENTIALITY AGREEMENT

This EMPLOYEE CONFIDENTIALITY AGREEMENT ("Agreement") is entered into as of the Effective Date (defined below), between _____, LLC/Inc. ("Franchisee") and ("Employee"), residing at _____

_____

[City] [State] [Zip Code]

WHEREAS, Crumbl Franchising, LLC ("Crumbl™" or "Franchisor") has developed confidential and proprietary mixes, recipes, spices, processes, methods, formulas, trade secrets, trademarks, service marks, methods, systems, and procedures for use in the operation of Crumbl™ franchise businesses within 'Crumbl's system, and Crumbl™ will continue to develop new recipes and revise current mixes, recipes, spices, processes, methods, formulas and other menu items (collectively the "Proprietary Information");

WHEREAS, Franchisee is the holder of a Crumbl™ franchise ("Crumbl™ Franchise") and as such is the temporary beneficiary of the Proprietary Information;

WHEREAS, Employee is currently employed by Franchisee and desires to continue his or her employment with Franchisee, and Employee is over 18 years of age;

WHEREAS, Employee may in the course of his or her employment by Franchisee have access to the Proprietary Information; and

WHEREAS, Employee recognizes the value and confidentiality of the Proprietary Information, and the importance of keeping the Proprietary Information confidential.

NOW, THEREFORE, in consideration of the employment (or continued employment) of Employee by Franchisee, the parties hereto agree as follows:

1. Acknowledgement. Employee acknowledges that during the course of his or her employment by Franchisee he or she has obtained or may obtain knowledge of the Proprietary Information and other confidential matters and procedures developed, licensed to or owned by Crumbl™ and made available to Franchisee, which are necessary and essential to the operation of the business of Franchisee, which without such information, Franchisee could not efficiently, effectively and profitably operate its Crumbl™ Franchise. Employee further acknowledges that such Proprietary Information was not known to him or her prior to his or her employment.

2. Non-Disclosure. Except as may be required in the performance of duties for Franchisee, Employee will not, during the course of his or her employment or at any time thereafter, directly or indirectly, use, or disclose to any third party, or authorize any third party to use any portion of the Proprietary Information, including without limitation, the temperatures, ingredients, systems, or measurements for Proprietary Information, or any other information relating to the Proprietary Information, and agrees not to copy, transmit, recreate, or otherwise reproduce the Proprietary Information at any time.

3. No Reverse Engineering. Employee will not, either personally, in concert with others or through other authorization, reverse engineer, decompile or deconstruct or attempt to reverse engineer, decompile or deconstruct any Recipe, and will not allow, encourage or permit any partner, owner, director, member, manager, agent, employee or other person to do so. For purposes of this Agreement, reverse engineering will include any deviations from the Proprietary Information that make minimal changes to the process, procedure, or ingredients such that the final result is identical or substantially similar to the result that would reasonably be expected to result from the Proprietary Information.

4. Duty to Notify. Employee agrees to notify Crumbl™ or Franchisee or Employee's immediate superiors of any reasonably suspected attempts to violate the terms or purposes of this Agreement or to otherwise disclose, copy or reproduce any Proprietary Information, or any part thereof. In the event it is discovered that Employee knew or had reason to know of any suspected attempts to violate this Agreement and fails to report such knowledge, Employee agrees to indemnify Franchisor for all costs and fees associated with enforcement, and to reimburse Franchisor for those losses sustained due to such violation. Employee agrees to cooperate with Crumbl™ in its attempts to enforce the terms of this Agreement and to otherwise protect the Proprietary Information, and to cooperate with Franchisee and Crumbl™ to the extent Franchisee is obligated to cooperate with 'Crumbl's attempts to enforce its rights in and to the Proprietary Information.

5. Limited Use. Employee must limit his/her use of the Proprietary Information to times, places, and circumstances as directed by Franchisee or its authorized representatives only. This limitation includes, but is not limited to, Employee's use, whether in part or in whole, of the Proprietary Information (and including Employee's use of the Proprietary Information for personal consumption) outside Employee's specific employment duties.

6. Return of Materials. Immediately upon the termination of employment, Employee agrees to deliver to Franchisee (and will not keep in his or her possession or deliver to anyone else whether in hard or electronic soft copy) any and all records, data, photographs, notes, manuals, lists, correspondence, specifications, materials, other documents or property, or reproductions relating to, directly or indirectly, the Proprietary Information, including any recipe book(s).

7. Irreparable Harm. Employee hereby acknowledges and agrees that any breach by him or her of Sections 1 through 6 above, inclusive, will cause damage to Franchisee and Crumbl™ in an amount difficult to ascertain. Accordingly, in addition to any other relief to which Franchisee may be entitled, either Franchisee or Crumbl™ will be entitled to enforce this Agreement and to seek temporary, preliminary, and/or permanent injunctive relief for any breach or threatened breach by Employee of any of the terms of Section 1 through 6 above, inclusive, without proof of actual damages that have been or may be caused to Franchisee or Crumbl™ by such breach, and without the requirement of posting bond.

8. Modification. Employee hereby agrees that, without limitation, any modifications, alterations, changes, or improvements conceived, designed, devised, developed, perfected or made by Employee, whether alone or in conjunction with others, and related in any manner to the actual or anticipated operation of the Franchise, 'Crumbl's system, or to any area of research and development, must be promptly disclosed to the Franchisee and will become the property of the Crumbl™, and Employee hereby irrevocably assigns, transfers, and conveys any such to Crumbl™.

9. Enforceability. If any portion of this Agreement will be held invalid or inoperative, then, so far as is reasonable and possible, the remainder of this Agreement will be considered valid and operative, and effect will be given to the intent manifested by the portion held invalid or inoperative. Whenever the context so requires, the masculine will include the feminine and neuter and the singular will include the plural and conversely.

10. Survival of Covenants. All covenants made in this Agreement by Employee will survive the termination of Employee's employment with Franchisee or the expiration, transfer or termination of this Agreement.

11. Modification of Agreement. This Agreement may be amended in whole or in part only by an agreement in writing signed and dated by the parties.

12. Attorneys' Fees. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding.

13. Counterpart Signatures. This Agreement may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original, and when said counterparts have been exchanged between the parties, they will be of full force and effect.

14. Third Party Beneficiary. It is agreed and acknowledged that Crumbl Franchising, LLC is a third-party beneficiary to this Agreement.

EMPLOYEE ACKNOWLEDGES THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ITS CONTENTS.

IN WITNESS WHEREOF, the parties have executed this Agreement as of _____ ("Effective Date").

FRANCHISEE:	EMPLOYEE:
_____(LLC/INC.)	_____
By: _____ (Signature)	_____ (Signature)
Name: _____ (Print Name)	Name: _____ (Print Name)
Title: _____	Age: _____
Date: _____	Date: _____

For persons under 18 years of age, a parent or legal guardian must sign the above Confidential Recipe Agreement and complete the following section.

I, _____ (Parent/Guardian), the undersigned and the parent and natural guardian of _____ (minor's name), hereby acknowledge that I have executed the foregoing Confidential Recipe Agreement for and on behalf of the minor named herein. I represent that I have legal capacity and authority to act for and on behalf of the minor named herein. As the natural or legal guardian of such minor, I hereby bind myself, the minor, and our successors and assigns to the obligations and liabilities of the foregoing Confidential Recipe Agreement.

SIGNED AND WITNESSED this ___ day of _____, 20____.

Signature of Parent/Guardian: _____

Name of Parent/Guardian: _____

Address: _____
_____

Phone: _____

EXHIBIT A-7
TO FRANCHISE AGREEMENT

LANDLORD'S CONSENT TO ASSIGNMENT

_____ ("Landlord") hereby consents to an assignment of the lease agreement ("Lease Agreement") to Crumbl Franchising, LLC ("Franchisor") for the purpose of securing the obligations of _____ ("Lessee" and Franchisor's franchisee) to Franchisor. In the event of Lessee's breach of the Lease Agreement, Landlord agrees to provide Franchisor with written notice of any breach of the Lease Agreement that Landlord is required to provide to Lessee. Further, Landlord agrees it will not take any action to terminate said Lease Agreement without first giving Franchisor 30 days' written notice of such breach and an opportunity, but not the obligation, to cure said breach within such notice period.

Landlord agrees to provide Franchisor with all information relating to amounts owing, settlement agreements, and all matters related to the Lease Agreement within 5 days of written request from Franchisor.

Landlord agrees that if Lessee defaults under the Lease Agreement, or if Lessee defaults under its franchise agreement with Franchisor, Franchisor will have the right, but not the obligation, within 90 days after termination of the Lease Agreement or franchise agreement, to take possession of the premises, and to assume or reassign the Lease Agreement, or sublet the premises to another franchisee for the remaining term of the Lease Agreement; provided that Landlord will have the right to reasonably approve such reassignment or subletting.

Landlord further agrees that so long as Franchisor has not entered into possession of the leased premises, Franchisor will not be liable for rent or any other obligation under the Lease Agreement, but that Landlord will look to Lessee for all obligations under the Lease Agreement.

Notices to Franchisor will be sent to: Jason McGowan, 160 E University Pkwy, Ste J, Orem, Utah 84058.

Dated this _____ day of _____ 20___.

Landlord:

By: _____
Its: _____
Print Name: _____

Contact person authorized to act on behalf of Landlord:
_____ (Name)
_____ (Phone)
_____ (Email)
_____
_____ (Address)

EXHIBIT A-8
TO FRANCHISE AGREEMENT

FINANCIER OR LESSOR'S CONSENT TO ASSIGNMENT

_____ ("Lessor") hereby consents to an Assignment of the financing agreement or the lease agreement for the financing or lease of equipment for the operation of a Crumbl™ unit ("Lease Agreement") to Crumbl Franchising, LLC ("Franchisor") for the purpose of securing the obligations of _____ ("Lessee" and Franchisor's franchisee) to Franchisor. In the event of Lessee's breach of the Lease Agreement, Lessor agrees to provide Franchisor with written notice of any breach of the Lease Agreement that Lessor is required to provide to Lessee. Further, Lessor agrees it will not take any action to Terminate said Lease Agreement without first giving Franchisor 30 days' notice of such breach and an opportunity, but not the obligation, to cure said breach within such notice period.

Landlord agrees to provide Franchisor with all information relating to amounts owing, settlement agreements, and all matters related to the Lease Agreement within 5 days of written request from Franchisor.

Lessor agrees that if Lessee defaults under the Lease Agreement, or if Lessee defaults under its franchise agreement with Franchisor, Franchisor will have the right, but not the obligation, for 45 days after termination of the Lease Agreement, to take possession of the equipment and assume or reassign the Lease Agreement, or sublet the equipment to another franchisee for the remaining term of the Lease Agreement; provided that the Lessor will have the right to reasonably approve such reassignment or subletting.

The Lessor further covenants that so long as Franchisor has not obtained possession of the equipment Franchisor will not be liable for payments or any other obligation under the Lease Agreement, but that Lessor will look to Lessee for all obligations under the Lease Agreement.

Notices to Franchisor will be sent to: Jason McGowan, 160 E University Pkwy, Ste J, Orem, Utah 84058.

Dated this _____ day of _____ 20___.

LESSOR:

By: _____
Its: _____
Print Name: _____

Contact person authorized to act on behalf of the Lessor:
_____ (Contact Person)
_____ (Mailing Address)
_____
_____ (Email)
_____ (Phone)

EXHIBIT A-9
TO FRANCHISE AGREEMENT

AUTHORIZATION AGREEMENT FOR DIRECT PAYMENTS (ACH DEBITS)

Business Name: _____

I (We) hereby authorize Crumbl Franchising, LLC hereinafter called ("Company"), to initiate debit entries to my (our) ☐ checking account/ ☐ savings account (select one) indicated below at the depository financial institution named below, hereinafter called ("Depository"), and to debit the same to such account. I (We) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of United States law.

Depository Name: _____ Branch: _____

City: _____ State: _____ Zip Code: _____

Routing Number: _____ Account Number: _____

This authorization is to remain in full force and effect until Company has received written notification from me (or either of us) of its termination in such time and in such manner as to afford Company and Depository a reasonable opportunity to act on it.

Name(s): _____
(please print)

Title: _____

Signature: _____ Date: _____

NOTE: ALL WRITTEN DEBIT AUTHORIZATIONS <u>MUST</u> PROVIDE THAT THE RECEIVER MAY REVOKE THE AUTHORIZATION ONLY BY NOTIFYING THE ORIGINATOR IN THE MANNER SPECIFIED IN THE AUTHORIZATION.

EXHIBIT A-10
TO FRANCHISE AGREEMENT

STATE SPECIFIC ADDENDA

ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF ILLINOIS

Illinois Law governs the franchise agreement.

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

Franchisees rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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

IN WITNESS WHEREOF, the Franchisor and Franchisee have respectively signed and sealed this Franchise Agreement as of _____.

FRANCHISEE	**CRUMBL FRANCHISING, LLC**
By:_____	By: _____
Its	Its

ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF MARYLAND

By and between **CRUMBL FRANCHISING, LLC**, a Utah limited liability company, hereinafter referred to as "Franchisor" and _____, hereinafter referred to as "Franchisee."

1. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

3. The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. All 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.

Except as expressly amended or modified herein, all terms, provisions and conditions of the original Franchise Agreement shall remain in full force and effect. In the event of a conflict or inconsistency between the provisions of this Addendum and any provisions of the original Franchise Agreement, the provisions hereof shall in all respects govern and control.

[Remainder of page intentionally left blank; signatures follow on next page]

IN WITNESS WHEREOF, and by their signatures below, the Parties hereto acknowledge that they have read, understand and agree to all of the terms and provisions of this Agreement and have caused this Agreement to be effective as of _____, with the full authority of the Company principal they represent.

FRANCHISOR:

CRUMBL FRANCHISING, LLC

By: _____
Its, _____

FRANCHISEE:

_____

By: _____
Name & Title: _____

INDIVIDUALS:

Signature: _____
Print Name: _____

Signature: _____
Print Name: _____

ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA

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

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

The disclosure document, franchise agreement, and other related agreements are amended to conform to the following:

1. Governing law, choice of forum, and jurisdiction and venue provisions of the disclosure document and franchise agreements are amended to include the following:

   > Minnesota statute 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the 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 or the jurisdiction.

2. With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. 80C.14, subdivisions 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

3. As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), franchisor will reimburse the franchisee for any costs incurred by the franchisee in the defense of the franchisee's right to use the Marks, so long as the franchisee was using the Marks in the manner authorized by franchisor, and so long as franchisor is timely notified of the claim and is given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

4. Minnesota Rule Part 2860.4400J prohibits requiring 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 Minnesota, or consenting to liquidated damages, termination penalties or judgment notes.

5. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.

6. Any limitation of claims must comply with Minn. Stat. 80C.17, subdivision 5.

_____
Franchisee (Signature)

_____
Franchisee (Signature)

ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF NORTH DAKOTA

This Addendum to the Franchise Agreement is agreed to this _____, between **CRUMBL FRANCHISING, LLC** and _____ _____ to amend and revise said Franchise Agreement as follows:

1. The North Dakota Securities Commission requires that certain provisions contained in the Agreement be amended to be consistent with North Dakota Law, including the North Dakota Franchise Investment Law, North Dakota Century Code Addendum, Chapter 51-19, Sections 51-19-01 et seq. Such provisions in the Agreement are hereby amended as follows:

- No general release shall be required as a condition of renewal and/ or transfer which is intended to exclude claims arising under North Dakota Franchise Investment Law.
- In case of any enforcement action, the prevailing party is entitled to recover all costs and expenses including attorney's fees.
- The statute of limitations under North Dakota Law will apply.
- Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of North Dakota except in limited instances as provided by law.
- A provision requiring litigation or arbitration to be conducted in a forum other than North Dakota is void with respect to claims under North Dakota Law.
- In the event of a conflict of laws, North Dakota Law will control.
- Franchise may not assent to a waiver of exemplary or punitive damages.
- Franchisee may not assent to a waiver of jury trial.

2. Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the North Dakota Law applicable to the provisions are met independent of this Addendum. To the extent this Addendum shall be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, understands and consents to be bound by all of its terms.

CRUMBL FRANCHISING, LLC

By: _____

Title: _____

Franchisee: _____-

_____

By: _____

Title: _____

ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF WASHINGTON

The State of Washington has a statute, RCW 19.100.180 which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____, 20___.

FRANCHISOR:
CRUMBL FRANCHISING, LLC

By: _____
(Signature)

Name: _____

Title: _____

FRANCHISEE:
_____

By: _____
(Signature)

Name: _____
Title: _____

INDIVIDUALS:

Signature: _____
Print Name: _____

Signature: _____
Print Name: _____

ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF WISCONSIN

The following shall apply to Franchise Agreements in the State of Wisconsin:

a. The Wisconsin Fair Dealership Act, Wisconsin Statues, Chapter 135 (the "Act"), shall apply to and govern the provisions of Franchise Agreements issued in the State of Wisconsin.

b. The Act's requirements, including that in certain circumstances a Franchisee receive ninety (90) days' notice of termination, cancellation, non-renewal or substantial change in competitive circumstances, and sixty (60) days to remedy claimed deficiencies, shall supersede the provisions of Section VIII of the Franchise Agreement to the extent they may be inconsistent with the Act's requirements.

EXHIBIT A-11
TO FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

This GUARANTY AND ASSUMPTION OF OBLIGATIONS ("Guaranty") is entered into and made effective as of the Effective Date (defined below) by and between **Crumbl Franchising, LLC**, a Utah limited liability company/corporation, ("We," "Us" or "Our") and the undersigned Guarantor(s) ("Guarantor(s)") owners of _____, LLC/INC. (the "Business Entity").

1. Scope of Guaranty. In consideration of and as an inducement to Our signing and delivering the Franchise Agreement dated _____ (the "Franchise Agreement"), each Guarantor(s) signing this Guaranty personally and unconditionally: (a) guarantee to Us and Our successors and assigns that the Business Entity will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Franchise Agreement; and (b) agree to be personally bound by, and personally liable for the breach of, any provision in the Franchise Agreement, Including confidentiality and the non-competition provisions.

2. Waivers. Each Guarantor(s) waive: (a) acceptance and notice of acceptance by Us of Guarantor(s) obligations under this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed by Guarantor(s); (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed by Guarantor(s); (d) any right Guarantor(s) may have to require that an action be brought against the Business Entity or any other person as a condition of Guarantor(s) liability; (e) all rights to payments and claims for reimbursement or subrogation which Guarantor(s) may have against the Business Entity arising as a result of Guarantor(s)' execution of and performance under this Guaranty; and (f) all other notices and legal or equitable defenses to which Guarantor(s) may be entitled in Guarantor(s)' capacity as guarantors.

3. **Consents and Agreements**. Each Guarantor consents and agrees that: (a) Guarantor(s)' direct and immediate liability under this Guaranty are joint and several; (b) Guarantor(s) must render any payment or performance required under the Franchise Agreement upon demand if the Business Entity fails or refuses punctually to do so; (c) Guarantor(s)' liability will not be contingent or conditioned upon Our pursuit of any remedies against the Business Entity or any other person; (d) Guarantor(s)' liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which We may from time to time grant to Business Entity or to any other person, including, without limitation, the acceptance of any partial payment or performance of the compromise or release of any claims (including the release of other guarantors) and no such indulgence will in any way modify or amend this Guaranty; and (e) this Guaranty will continue and is irrevocable during the term of the Franchise Agreement and, if required by the Franchise Agreement, after its termination or expiration.

4. **Enforcement Costs**. If We must enforce this Guaranty in any judicial or arbitration proceeding or any appeals, Guarantor(s) must reimburse Us for Our enforcement costs. Enforcement costs include reasonable fees from accountants, attorneys, attorney's assistants, arbitrators, and expert witness fees, costs of investigation and proof of facts, court costs, arbitration filing fees, other litigation expenses and travel and living expenses, whether incurred before, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this

Guaranty.

5. Disputes. Guarantor(s) acknowledge and represent that Guarantor(s) have had an opportunity to review the Franchise Agreement and agree that the provisions of Article XVII (disputes and arbitration) of the Franchise Agreement have been reviewed by Guarantor(s) and by reference are incorporated herein and will govern this Guaranty and any disputes between Guarantor(s) and Us. Each Guarantor(s) irrevocably submits to the exclusive jurisdiction and venue of said listed courts. Nevertheless, Guarantor(s) agree that We may also enforce this Guaranty and awards in the courts of the state or states in which a Guarantor(s) is domiciled.

7. Counterparts. This Guaranty may be signed in counterparts including by electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original, and when said counterparts have been exchanged between the parties, they will be of full force and effect.

IN WITNESS WHEREOF, the Guarantor(s) have respectively signed and sealed this Guaranty effective as of _____ ("Effective Date").

FRANCHISOR:

Crumbl Franchising, LLC
A Utah limited liability company

By: _____
(Signature)

Name: _____

Title: _____

GUARANTOR(S):

By: _____
(Signature)

Name: _____

Title: _____

By: _____
(Signature)

Name: _____

Title: _____

By: _____
(Signature)

Name: _____

Title: _____

By: _____
(Signature)

Name: _____

Title: _____

By: _____
(Signature)

Name: _____

Title: _____

By: _____
(Signature)

Name: _____

Title: _____

EXHIBIT "B"
TO THE FDD

STATEMENT OF PROSPECTIVE FRANCHISEE

CRUMBL FRANCHISING, LLC
STATEMENT OF PROSPECTIVE FRANCHISEE(S)

[NOTE: Please complete in the handwriting of Prospective Franchisee(s). If more than one person is a part of the franchisee, all must initial and sign.]

Prospective Franchisee(s), _____ **LLC/INC.** and _____ (individual name) and _____ (individual name) (collectively also called "We," "Us," "Our" or "Prospective Franchisee" in this document), and **CRUMBL FRANCHISING, LLC** (also called the "Franchisor") each have an interest in making sure that no misunderstandings exist between them, and to verify that no violations of law might have occurred, and understanding that the Franchisor is relying on Our statements, We represent as follows:

A. The following dates and information are true and correct: **Initials**

1. The date on which We received the Franchise Disclosure Document for the Crumbl™ Franchise was _____. _____

2. The date of the first face-to-face meeting with any person to discuss the purchase of a/n Crumbl™ Franchise was _____. _____

3. The date when We first received a copy of the Franchise Agreement and all other documents We later signed was _____. _____

4. We negotiated the following documents with the Franchisor:
   _____
   _____ _____

5. The date when We received a fully completed (ready for signatures) copy of the Franchise Agreement and other documents We later signed was _____. _____

6. The earliest date on which We signed the Franchise Agreement or any other biding document was _____. _____

7. The earliest date on which We delivered cash, check or other consideration to the Franchisor, or any other person or company was _____. _____

B. Representations and Other Matters:

1. No oral, written, visual or other promises, agreements, representations, understandings, "side deals," or otherwise of any type, which expanded upon or were inconsistent with the Disclosure Document, the Franchise Agreement or any other written documents, have been made to or with Us with respect to <u>any</u> matter, nor have We relied in any way on any such, except as expressly set forth in the Franchise Agreement or a written Addendum/Appendix thereto to be signed by Us and the President of the Franchisor, except as follows:

   _____ _____

   (If none, write NONE in your own handwriting)

2. No oral, written, visual or other claim, guarantee or representation of any sort, has been made to Us which stated or suggested any specific level or range of actual or potential sales, income, expenses, profits, cash flow, by any person or entity, nor have We relied in any way on any such, except for information (if any) expressly set forth in Item 19 of the Franchisor's Disclosure Document (or an exhibit referred to therein), except as follows:

   _____ _____

   (If none, write NONE in your own handwriting)

3. We are not relying on the Franchisor or any other entity to provide or arrange financing of any type, nor have We relied in any way on such, except as expressly set forth in the Franchise Agreement or a written Addendum/Appendix thereto to be signed by Us and the President of the Franchisor, except as follows:

   _____ _____

   (If none, write NONE in your own handwriting)

4. We constitute all of the executive officers, partners, shareholders, investors and/or principals of the Prospective Franchisee and each of Us individually has received the Franchise Disclosure Document and all exhibits and has carefully read, discussed, understands and agrees to the Franchise Agreement, each written Addendum/Appendix and any Personal Guarantees. _____

5. We have had an opportunity to consult with an independent professional advisor, such as an attorney or accountant, prior to signing any binding documents or paying any sums, and the Franchisor has <u>strongly</u> recommended that We obtain such independent professional advice. _____

6. We confirm that We have discussed the proposed purchase of, or investment in, a/an Crumbl™ Franchise with existing Crumbl™ franchisees. _____

7. We understand that entry into any business venture necessarily involves some unavoidable risk of loss or failure and that the Crumbl™ Franchise is a speculative investment. Investment beyond that outlined in the Disclosure Document may be required to succeed and there exists no guaranty against possible loss or failure and the most important factors in our success are Our personal business, marketing, sales, management, judgment and other skills. _____

   If there are any matters inconsistent with the statements in this document, or if anyone has suggested that We sign this document without all of its statements being true, correct and complete, We will (a) **immediately** inform the Franchisor's President; and (b) make a written statement regarding such next to my signature below so that the Franchisor may address and resolve any such issue(s) at this time before going forward. _____

   We understand and agree that the Franchisor does not furnish or endorse or authorize its salespersons or others to furnish or endorse, any oral, written or other information concerning actual or potential sales, income, expenses, profits, cash flow, or otherwise, that any such information not expressly set forth in Item 19 of the Franchisor's Disclosure Document (or in a formal exhibit to the Disclosure Document) is not reliable and that We have not relied on such information and that no such results can be assured or estimated and that actual results will vary from unit to unit and may vary significantly. _____

8. We acknowledge that the law governing the franchise relationship is Utah law and that the exclusive venue for any dispute will be in Salt Lake County, Utah.

9. We are also a franchisee in the following system(s):

   _____

   (write none if not a franchisee for another franchise system)

   _____

We understand and agree to all of the foregoing and represent and warrant that all of the above statements are true, correct and complete.

DATED on this _____.

PROSPECTIVE FRANCHISEE(S):

_____, LLC/ Inc.

By: _____
(Signature)

_____
Print Name

_____
Title

INDIVIDUALS:

By: _____
(Signature)

_____
Print Name

_____
Title

By: _____
(Signature)

_____
Print Name

_____
Title

EXHIBIT "C"
TO THE FDD

FINANCIAL STATEMENTS
(Attached)

December 31, 2018 (reviewed financial statements)
February 22, 2018 (balance sheet statement)

THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

CRUMBL FRANCHISING, LLC

Financial Statements

December 31, 2018

(With accountant's review report thereon)

JOSEPH B GLASS & ASSOCIATES
Certified Public Accountant

Joseph B Glass & Associates
Certified Public Accountant
190 South 200 East
Blanding, Utah 84511
Tel. 801-414-3325 Fax. 801-304-0475
e-mail address: joebglasscpa@msn.com

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

The Members
CRUMBL FRANCHISING, LLC
Orem, Utah

We have reviewed the accompanying financial statements of CRUMBL FRANCHISING, LLC (the Company), which comprise the balance sheet as of December 31, 2018, and the related statements of net loss, comprehensive loss and members' deficit and cash flows for the period from inception (February 9, 2018) through December 31, 2018 and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Joseph B Glass & Associates

Joseph B Glass & Associates

Blanding, Utah

April 16, 2019

CRUMBL FRANCHISING, LLC
Balance Sheet
December 31, 2018

Assets		
Current assets:		
Cash and cash equivalents	$	71,233
Accounts receivable		64,043
Total current assets		135,276
Property and equipment:		
Computers and related equipment		12,431
Vehicles		11,492
Leasehold improvements		1,093
		25,016
Less accumulated depreciation		888
Net property and equipment		24,128
Advances to affiliated Companies		25,676
	$	185,080
Liabilities and Members' Deficit		
Current liabilities		
Accounts payable and accrued expenses	$	21,949
Current portion of deferred franchise fees		75,000
Total current liabilities		96,949
Deferred franchise fees (net of accumulated amortization of $23,294 and current portion of $75,000)		276,706
Members' deficit		(188,575)
Commitments and contingencies		-
	$	185,080

See accompanying notes and independent accountant's review report.

CRUMBL FRANCHISING, LLC

Statements of Net Loss, Comprehensive Loss and Members' Deficit

For the period from inception (February 9, 2018) Through December 31, 2018

Revenue:	
Royalties and marketing fees	$ 470,270
Sales of Product	102,379
Amortization of franchise fees	23,294
Total revenue	595,943
Cost of revenue:	
Product and related costs	89,997
Legal and professional fees	35,058
Total cost of revenue	125,055
Gross profit	470,888
Less general and administrative expenses	562,589
Net loss	(91,701)
Other comprehensive income	-
Total comprehensive loss	(91,701)
Members' deficit beginning of period	-
Distributions to members	(96,874)
Members' deficit end of period	$ (188,575)

See accompanying notes and independent accountant's review report.

CRUMBL FRANCHISING, LLC

Statement of Cash Flows

For the period from inception (February 9, 2018) Through December 31, 2018

Cash flows from operating activities:		
Net loss	$	(91,701)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation		888
Net change in current assets and liabilities:		
Accounts receivable		(64,043)
Accounts payable and accrued expenses		21,949
Deferred franchisee fees		351,706
Net cash provided (used) by operating activities		218,799
Cash flows from investing activities:		
Purchase of property and equipment		(25,016)
Advances to affiliates		(25,676)
Net cash used by investing activities		(50,692)
Cash flows from financing activities:		
Distributions to members		(96,874)
Net cash used by financing activities		(96,874)
Net increase (decrease) in cash		71,233
Cash at beginning of period		-
Cash at end of period	$	71,233
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Interest	$	-
Income taxes	$	-

See accompanying notes and independent accountant's review report

CRUMBLE FRANCHISING, LLC
Notes To Financial Statements
December 31, 2018

(1) Organization, Line of Business, and Summary of Significant Accounting Policies

(a) Organization and Line of Business

CRUMBL FRANCHISING, LLC (Company) was organized on February 9, 2018. The Company is a franchisor of Crumble restaurants.

(b) Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable by the Company. Members are taxed individually on their share of the Company's earnings. The Company's net income (loss) is allocated among the members in accordance with their ownership.

(c) Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

(d) Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

(e) Trade Accounts Receivable

Trade accounts receivable is recorded net of an allowance for expected losses. The allowance is estimated from historical performance and projections of trends. Uncollectible loans and accounts receivable are charged off after all reasonable collection efforts have been utilized. Accounts receivable are deemed to be past due when payments are more than 30 days late. No allowance was deemed necessary at December 31, 2018.

(f) Property and Equipment

Property and equipment is stated at cost. Depreciation is calculated on a straight line basis over the estimated useful lives of the assets ranging from five to seven years.

(g) Revenue Recognition

The Company recognizes revenues from franchise sales and royalty and advertising fees. Franchise fee revenue is recognized, in accordance with current revenue recognition standards, on a straight-line basis over the term of the franchise of 60 months after all significant obligations related to the franchise sale have been satisfied.

CRUMBLE FRANCHISING, LLC
Notes To Financial Statements
December 31, 2018

(1) Organization, Line of Business, and Summary of Significant Accounting Policies (continued)

(g) Revenue Recognition (continued)

In addition to initial franchises fees, franchisees are required to pay 6% of future sales as continuing franchise fees or royalties and 4% as advertising fees.

As of December 31, 2018, the Company had sold 21 individual franchises.

(2) Related Party Transactions

At December 31, 2018 the Company had advanced $25,676 to an affiliated Company without interest.

(3) Concentrations of Credit

The Company's customers consist primarily of individuals living in the United States.

(4) Subsequent events

Management of the Company has evaluated any subsequent events that may require disclosure in these financial statements through April 29, 2019, the date that the financial statements were issued.

CRUMBL FRANCHISING, LLC

Balance Sheet

December 31, 2018
(With Independent Accountant's Report Thereon)

JOSEPH B GLASS & ASSOCIATES
Certified Public Accountant

Joseph B Glass & Associates
Certified Public Accountant
190 South 200 East
Blanding, Utah 84511
Tel. 801-414-3325 Fax. 801-304-0475
e-mail address: joebglasscpa@msn.com

Independent Auditor's Report

The Members
CRUMBL FRANCHISING, LLC
Orem, Utah

Report on the Financial Statements

We have audited the accompanying balance sheet of CRUMBL FRANCHISING, LLC, as of December 31, 2018.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Opinion

In our opinion, the balance sheet referred to above presents fairly, in all material respects, the financial position of CRUMBL FRANCHISING, LLC. as of December 31, 2018 in accordance with accounting principles generally accepted in the United States of America,

Joseph B Glass & associates

Joseph B Glass & Associates

Blanding, Utah

April 16, 2019

CRUMBL FRANCHISING, LLC
Balance Sheet
December 31, 2018

Assets		
Current assets:		
Cash and cash equivalents	$	71,233
Accounts receivable		64,043
Total current assets		135,276
Property and equipment:		
Computers and related equipment		12,431
Vehicles		11,492
Leasehold improvements		1,093
		25,016
Less accumulated depreciation		888
Net property and equipment		24,128
Advances to affiliated Companies		25,676
	$	185,080
Liabilities and Members' Deficit		
Current liabilities		
Accounts payable and accrued expenses	$	21,949
Current portion of deferred franchise fees		75,000
Total current liabilities		96,949
Deferred franchise fees (net of accumulated amortization of $23,294 and current portion of $75,000)		276,706
Members' deficit		(188,575)
Commitments and contingencies		-
	$	185,080

See accompanying notes to financial statements.

CRUMBLE FRANCHISING, LLC
Notes To Financial Statement
December 31, 2018

(1) Organization, Line of Business, and Summary of Significant Accounting Policies

(a) Organization and Line of Business

CRUMBL FRANCHISING, LLC (Company) was organized on February 9, 2018. The Company is a franchisor of Crumble restaurants.

(b) Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable by the Company. Members are taxed individually on their share of the Company's earnings. The Company's net income (loss) is allocated among the members in accordance with their ownership.

(c) Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

(d) Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

(e) Trade Accounts Receivable

Trade accounts receivable is recorded net of an allowance for expected losses. The allowance is estimated from historical performance and projections of trends. Uncollectible loans and accounts receivable are charged off after all reasonable collection efforts have been utilized. Accounts receivable are deemed to be past due when payments are more than 30 days late. No allowance was deemed necessary at December 31, 2018.

(f) Property and Equipment

Property and equipment is stated at cost. Depreciation is calculated on a straight line basis over the estimated useful lives of the assets ranging from five to seven years.

(g) Revenue Recognition

The Company recognizes revenues from franchise sales and royalty and advertising fees. Franchise fee revenue is recognized, in accordance with current revenue recognition standards, on a straight-line basis over the term of the franchise of 60 months after all significant obligations related to the franchise sale have been satisfied.

CRUMBLE FRANCHISING, LLC
Notes To Financial Statement
December 31, 2018

(1) Organization, Line of Business, and Summary of Significant Accounting Policies (continued)

(g) Revenue Recognition (continued)

In addition to initial franchises fees, franchisees are required to pay 6% of future sales as continuing franchise fees or royalties and 4% as advertising fees.

As of December 31, 2018 the Company had sold 21 individual franchises.

(2) Related Party Transactions

At December 31, 2018 the Company had advanced $25,676 to an affiliated Company without interest.

(3) Concentrations of Credit

The Company's customers consist primarily of individuals living in the United States.

(4) Subsequent events

Management of the Company has evaluated any subsequent events that may require disclosure in these financial statements through April 16, 2019, the date that the financial statements were issued.

CRUMBL Franchising, LLC

BALANCE SHEET

As of February 22, 2018

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Crumbl Franchising LLC Operating Acct	10,000.00
Total Bank Accounts	**$10,000.00**
Total Current Assets	**$10,000.00**
TOTAL ASSETS	**$10,000.00**
LIABILITIES AND EQUITY	
Total Liabilities	
Equity	
Owner's Investment	
Jason McGowan Equity	6,000.00
Sawyer Hemsley Equity	4,000.00
Total Owner's Investment	**10,000.00**
Retained Earnings	
Net Income	
Total Equity	**$10,000.00**
TOTAL LIABILITIES AND EQUITY	**$10,000.00**

EXHIBIT "D"
TO THE FDD

SCHEDULE OF FRANCHISEES:
(as of December 31, 2018)

LIST OF CURRENT FRANCHISE STORES
As of December 31, 2018

	Location	Owner	Phone	Address
		Idaho		
1	Meridian, ID	Brian Armstrong	(208) 559-2608	3340 N Eagle Rd #103 Meridian, ID 83646
		Nevada		
2	Las Vegas, NV (Blue Diamond)	Julie Labrum	(435) 467-9683	8085 Blue Diamond Rd Ste 105 Las Vegas, NV 89149
3	Las Vegas, NV (Centennial)	Jason Sanchez Kari Sanchez Jim Asche Chris Huggins	(702) 530-6211 (702) 530-6311 (702) 325-0639 (702) 845-7070	5590 Painted Mirage Rd #110 Las Vegas, NV 89149
		Utah		
4	American Fork, UT	Gavin Rundell Coree Rundell Chris Burton	(385) 535 9297 (385) 535-9296 (801) 623-3216	586 N 900 W American Fork, UT 84003
5	Bountiful, UT	Lance Hemsley Laurie Hemsley	(208) 851-1031 (208) 851-1287	463 S Main Street Bountiful, UT 84010
6	Cottonwood Heights, UT	Spencer Hanks	(385) 315-9418	1844 Fort Union Blvd Cottonwood Heights, UT 84121
7	Draper, UT	Craig Collette Lorna Collette	(801) 864-1655 (801) 913-5777	1223 Draper Parkway Draper, UT 84020
8	Layton, UT	Chandler Farr Shy Farr	(801) 668-1399 (801) 668-5754	448 Antelope Dr #4 Layton, UT 84041
9	Lehi, UT	David Essuman	(801) 913-7560	1820 W Traverse Pkwy Lehi, UT 84043
10	Lindon, UT	Gavin Rundell Coree Rundell Chris Burton	(385) 535 9297 (385) 535-9296 (801) 623-3216	677 N State St Lindon, UT 84042
11	Logan, UT	Lance Hemsley	(208) 851-1031	1309 Main St Logan, UT 84341
12	Provo, UT	John Schefer Jen Schefer	(801) 404-8620 (801) 623-3667	154 W 1230 N St Provo UT 84604
13	Riverton, UT	Spencer Hanks	(385) 315-9418	2778 W 12600 S Riverton, UT 84065
14	Spanish Fork, UT	Kendall Hulet Dan Lawyer Kirby Fausnaught	(801) 592-4264 (801) 319-3553 (801) 717-6505	330 N Main St Spanish Fork, UT 84660
15	St. George, UT	Brett Ward Loralee Barrow	(208) 220-2608 (435) 669-4625	2654 Red Cliffs Dr, Unit I St. George, UT 84790

FRANCHISEES THAT TRANSFERRED THEIR FRANCHISE IN 2018: NONE

Location	Owner	Current Business Phone or Last Known Home Phone Number

FRANCHISES THAT CEASED OPERATIONS IN 2018 OR HAVE NOT CONTACTED US WITHIN 10 WEEKS: NONE

Location	Owner	Current Business Phone or Last Known Home Phone Number

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

EXHIBIT "E"
TO THE FDD

LIST OF AGENTS FOR SERVICE OF PROCESS

California: Commissioner of Business Oversight
Department of Business Oversight
1515 K Street, Suite 200
Sacramento, CA 98514
(916) 445-7205
Toll free at 1-866-275-2677

Georgia: Secretary of State of Georgia
Corporations Division
2 Martin Luther King, Jr. Dr., SE
Suite 315, West Tower
Atlanta, Georgia 30334

Hawaii: Commissioner of Securities
Department of Commerce
and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

Illinois: Chief, Franchise Division
Office of Attorney General
500 South Second Street
Springfield, IL 62706
(217) 782-4465

Indiana: Indiana Secretary of State
201 State House
Indianapolis, IN 46204

Maryland: Maryland Securities Commissioner
Division of Securities
Office of Attorney General
200 St. Paul Place, 20th Floor
Baltimore, MD 21202-2020
(410) 576-6360

Michigan: Antitrust and Franchise Business
Michigan Department of the
Attorney General's Office
Franchise Administrator
Consumer Protection Division
6546 Mercantile Way
Lansing, MI 48910
(517) 373-7117

Minnesota: Commissioner of Commerce
Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, MN 55101
(651) 539-1500

New York: New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, NY 12231-0001
(518) 473-2492

North Dakota:
North Dakota Securities Department
600 East Boulevard Avenue
State Capital Fifth Floor Dept 414
Bismarck, ND 58505-0510
(701) 328-4712

Oregon: Director of Insurance & Finance
Business Service Division of Finance
and Corporate Securities Labor
and Industries Building
Salem, OR 97310
(503) 378-4387

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

South Dakota: Division of Insurance
Securities Regulation
124 South Euclid Avenue, 2nd Floor
Pierre, SD 57501-3185
(605) 773-3563

Virginia:	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, VA 23219
Washington:	Director of Financial Institutions 150 Israel Road SW Tumwater, WA 98501 (360) 902-8760
Wisconsin:	Wisconsin Commissioner of Securities Franchise Investment Division Fourth Floor 101 East Wilson Street Madison, WI 53702

EXHIBIT "F"
TO THE FDD

LIST OF STATE AGENCIES RESPONSIBLE FOR FRANCHISE DISCLOSURE/REGISTRATION LAWS

California

Department of Business Oversight

Sacramento

1515 K Street, Suite 200
Sacramento, California 95814-4052
(916) 445-7205
Toll free at 1-866-275-2677

San Diego

1350 Front Street, Room 2034
San Diego, California 92101-3697
(619) 525-4233
Toll free at 1-866-275-2677

San Francisco

One Sansome Street, Ste. 600
San Francisco, California 94104
(415) 972-8559
Toll free at 1-866-275-2677

Los Angeles

320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7500
Toll free at 1-866-275-2677

Connecticut

Securities and Business Investment Division
Connecticut Department of Banking
260 Constitution Plaza
Hartford, Connecticut 06103-1800
(860) 240-8233

Florida

Department of Agriculture and Consumer Services
Division of Consumer Services
P.O. Box 6700
Tallahassee, Florida 32314-6700
(805) 488-2221
Fax: (805) 410-3804

Georgia

Secretary of State of Georgia
Corporations Division
2 Martin Luther King, Jr. Dr., SE
Suite 315, West Tower
Atlanta, Georgia 30334

Hawaii

Department of Commerce and Consumer Affairs
Business Registration Division
Commissioner of Securities
P.O. Box 40
Honolulu, Hawaii 96810
(808) 586-2744

Illinois

Franchise Bureau
Office of Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4436

Indiana

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

Iowa

Iowa Securities Bureau
340 Maple
Des Moines, Iowa 50319-0066
(515) 287-4441

Maryland

Office of the Attorney General,
Division of Securities
200 St. Paul Place, 20th Floor
Baltimore, Maryland 21202-2020
(410) 576-6360

Michigan

Michigan Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
525 West Ottawa Street
Williams Building, 6th Floor
Lansing, Michigan 48933
(517) 373-7117

Minnesota

Minnesota Department of Commerce
Securities Franchise Registration
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198
(651) 539-1500

Nebraska

Department of Banking and Finance
Bureau of Securities/Financial Institutions
Division
1526 K Street, Suite 300
Lincoln, NE 68508-2732
(402) 471-3445

New York

NYS Department of Law
Investor Protection Bureau
28 Liberty St. 21st Floor
New York, NY 10005
Phone: (212) 416-8236
Fax: (212) 416-6042

North Dakota

Franchise Examiner
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol Fifth Floor, Dpt 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

Oregon

Department of Consumer and Business
Services
Division of Finance and Corporate Securities
Labor and Industries Building
Salem, Oregon 97310
(503) 378-4140
Fax: (503) 947-7862

Rhode Island

Department of Business Regulation
Securities Division
1511 Pontiac Avenue
John O. Pastore Complex-69-1
Cranston, Rhode Island 02920-4407
(401) 462-9527

South Dakota

Division of Insurance
Securities Regulation
124 S. Euclid, 2nd Floor
Pierre, South Dakota 57501-3185
(605) 773-3563
Fax: (605) 773-5953

Texas

Secretary of State
Registrations Unit
P.O. Box 13193
Austin, Texas 78711
Street Address:
1719 Brazos
Austin, Texas 78701
(512) 475-1769

Utah

Division of Consumer Protection
Utah Department of Commerce
160 East Three Hundred South
SM Box 146704
Salt Lake City, Utah 84114-6704
(801) 530-6601
Fax: (801) 530-6001

Virginia

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

Washington

Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, Washington 98507-9033
(360) 902-8760

Wisconsin

Division of Securities
Department of Financial Institutions
P.O. Box 1768
Madison, Wisconsin 53701
(608) 266-2801

Federal Trade Commission

Division of Marketing Practices
Bureau of Consumer Protection
Pennsylvania Avenue at 6th Street, NW
Washington, D.C. 20580
(202) 326-3128

EXHIBIT "G"
TO THE FDD

TABLE OF CONTENTS FOR OPERATIONS MANUAL

CRUMBL™ Operations Manual

Table of Contents

Chapter 1: Introduction
- Page 1: How to use the crumbl operations manual

Chapter 2: Welcome to Crumbl
- Page 2: Letter from the Founders
- Page 3: History of Crumbl
- Page 4: Crumbl Mission Principles & Promises

Chapter 3: Support Resources
- Page 5: Crumbl Corporate Support
- Page 6: Corporate Hours

Chapter 4: Pre-Opening Timetable
- Page 7: Signage & Floor Plan
- Page 8: Store Opening Timetable
- Page 9: Grand Opening Vendor Guide

Chapter 5: Build Out Guide
- Page 10: Crumbl™ Vibe
- Page 11: Lien Release Form
- Page 12: Inspections
- Page 13: General Contractors Index
- Page 14: Build Out Specs - 1.0
- Page 15: Build Out Specs - 2.0

Chapter 6: Crumbl Training
- Page 16: Training Introduction
- Page 17: Franchisee Training Schedule
- Page 18: Baker Training
- Page 19: Driver Training
- Page 20: Shift Lead / Manager Training

Chapter 7: Staffing Your Crumbl Store
- Page 21: Staffing Guidelines
- Page 22: Pre-Opening Hiring Plan
- Page 23: Crumbl Employee Application
- Page 24: Shift Schedules
- Page 25: Hiring Your Perfect Crumbl Manager
- Page 26: Baker: Job Description
- Page 27: Driver: Job Description
- Page 28: Shift Lead: Job Description
- Page 29: Manager: Job Description

Chapter 8: Store Policies & Agreements
- Page 30: Store Music
- Page 31: Clean-up Procedures for Vomit and Diarrhea
- Page 32: Sexual Harassment Policy
- Page 33: Write Up Policy
- Page 34: Cell Phone Policy
- Page 35: Employee Appearance (Trade Dress) and Hygiene
- Page 36: Computer Usage
- Page 37: Hours of Operation Policy
- Page 38: Territory Sales

Page 39: Handling Typical Complaints and Problems
Page 40: Quality Standards
Page 41: Donation Policy
Chapter 9: Storefront Management
Page 42: Day to Day Crumbl Life
Page 43: Common Problems and Possible Solutions
Page 44: Administration Activities
Page 45: Opening Procedures
Page 46: Closing Procedures
Page 47: Presenting a Customer's Order
Page 48: Rotating Menu
Page 49: Crumbl Gifting
Page 50: Crumbl Catering
Page 51: Game Plan
Chapter 10: Software Systems
Page 52: Software Help Desk Matrix
Page 53: Adding Employees into Onfleet
Page 54: Adding Employees into When I Work
Page 55: Adding Employees into When I Work
Page 56: Adding New Employees into Square
Page 57: Square - Add Employees to Square Payroll
Chapter 11: Marketing, Branding, & PR
Page 58: End of Day Cookies
Page 59: Grand Opening Schedule
Page 60: Free Cookie Day
Page 61: Media Talking Points
Page 62: Marketing at Crumbl
Chapter 12: Administration & Profitability
Page 63: Cost of Goods Sold
Page 64: Accounting, What You Should Know
Page 65: Accounting Services
Page 66: Business Equipment
Page 67: Payroll and Taxes
Page 68: Chart of Accounts
Page 69: Record Keeping
Chapter 13: Insurance Requirements & Risk Management
Page 70: General Insurance Coverage
Page 71: Risk Management
Page 72: Reporting Incidents
Chapter 14: Checklists
Page 73: Cleaning Checklist for Station #1
Page 74: Cleaning Checklist for Station #2
Page 75: Cleaning Checklist for Station #3
Page 76: Backroom Cleaning Checklist
Page 77: Bathroom Cleaning Checklist
Chapter 15: Corporate Structure
Page 78: Org Chart
Page 79: Leadership Team

EXHIBIT "H"
TO THE FDD

RELEASE AGREEMENT

CRUMBL FRANCHISING, LLC
RELEASE AGREEMENT
(_____)
franchisee

This RELEASE AGREEMENT ("Agreement") is made and entered into as of the Effective Date (defined below on the signature page) by and between CRUMBL FRANCHISING, LLC, a Utah limited liability company (herein "Franchisor") and _____, LLC/INC., _____, and _____, (jointly and severally "Franchisee"). The above will collectively at times be referred to as "Parties" and individually as "Party." Capitalized terms used herein will have the meanings set forth in the Franchise Agreement, unless defined otherwise herein.

RECITALS

WHEREAS, Franchisee entered into a Crumbl™ franchise agreement on _____ with Franchisor ("Franchise Agreement"); and

WHEREAS, the Franchise Agreement was personally guaranteed by _____ and _____ ("Personal Guarantor(s)"); and

WHEREAS, the Franchise Agreement has been terminated effective as of the _____.

NOW THEREFORE, In consideration of the recitals, premises and other provisions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Franchisor, Franchisee and Personal Guarantor(s) hereby agree as follows:

1. Release. Franchisee and Personal Guarantor(s) hereby, fully and irrevocably, release, acquit and forever discharge Franchisor and its successors, affiliates, directors, officers, members, managers, employees, shareholders, representatives and agents and each of them, individually and collectively, of and from any and all claims, demands, obligations, causes of action, suits or liabilities of any kind and nature, whatsoever, whether known or unknown, suspected or unsuspected, and in whatever legal theory or form which Franchisee and Personal Guarantor(s) have or claim to have, or at any time heretofore, had or claimed to have had, or which may hereafter accrue or arise, against Franchisor, its successors, affiliates, directors, officers, members, managers, shareholders, employees and agents, and each of them, by reason of, or in any way connected with the Franchise Agreement, the relationship described therein and any business transaction, agreement or occurrence, act or omission relating thereto prior to the Effective Date. Franchisee and Personal Guarantor(s) further waive any and all state law provisions limiting the effect of a general release.

2. Further Effect of Release. Franchisee and Personal Guarantor(s) hereby covenant not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil,

criminal, or administrative proceeding or investigation in any court agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim against any person or entity released under Section 1 above with respect to any claim released under Section 1.

3. Full Knowledge. Franchisee and Personal Guarantor(s) represent that each of them fully understands the broad coverage of the release provisions of this Agreement, and that they execute the same with respect to all claims, causes of action and demands, as set forth above, they have or may have against the Franchisor, fully intending that the provisions hereof be given the broadest interpretation permitted by law or the English language. Franchisee and Personal Guarantor(s) acknowledge and expressly agree that they will make no claim, and hereby waive any right they may now have, or may hereafter have, based upon any alleged oral or written alteration, amendment, or modification of this Agreement, fully waiving any right they may have to refer to extrinsic matters in the interpretation hereof, whether to establish fraud, duress, mistake, undue influence, or for any other purpose.

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

The parties, with the advice of their respective counsel, waive the benefit of both statute and other legal doctrine or principle of similar effect in any jurisdiction.

4. Complete Defense. This Agreement may be pleaded as a full and complete defense to, and may be used as the basis for, an injunction against any action, suit or other proceeding which may be instituted, prosecuted or maintained in breach of this Agreement.

5. Non-Competition Clauses not Affected. Nothing in this Agreement releases Personal Guarantor(s) or Franchisee from their obligations under the non-competition clauses of the Franchise Agreement or their Non-Competition Agreements signed with Franchisor.

6. Miscellaneous.

6.1 Cooperation. Franchisee and Personal Guarantor(s) shall make, execute and deliver to Franchisor, promptly upon request and without additional consideration, any document or instrument necessary to carry out and effectuate the purposes of this Agreement.

6.2 Choice of Law and Jurisdiction. This Agreement will be construed in accordance with and all disputes hereunder will be governed by the laws of the State of Utah without giving effect to its conflicts of law provisions. Franchisee, Personal Guarantor(s), and Franchisor hereby irrevocably consent to the exercise of general personal jurisdiction in the courts of record of the State of Utah even though it may be otherwise possible to obtain jurisdiction elsewhere, and we both agree that Salt Lake County, Utah will be the exclusive venue for any litigation between us. Each party waives any objection they may have to the personal jurisdiction of or venue in the state and federal courts of Utah.

6.3 Arbitration. In the event any controversy or dispute arises between the Parties hereto in connection with, arising from or with respect to the provisions hereof, the relationship of the Parties hereto, or the validity of this Agreement or any provision hereof, such dispute or controversy will, on the request of any Party hereto be submitted for arbitration to the American Arbitration Association in accordance with its commercial arbitration rules. All arbitration hearings will be conducted exclusively in Salt Lake County, Utah and the laws of the State of Utah will govern, without giving effect to its conflicts of law provisions. The arbitrator will have the power and jurisdiction to decide such controversy or dispute solely in accordance with the express provisions of this Agreement. The prevailing Party in any arbitration suit or action to enforce this Agreement, will be entitled to recover the administrative costs of the arbitration proceeding and the fee for the arbitrator. The Parties agree that any claim hereunder will result in an award not more than 120 days from the date of the statement of claim filed with the American Arbitration Association, unless otherwise waived by the Parties. The award and findings of the arbitrators will be conclusive and binding upon all Parties hereto and the judgment upon the award may be entered in any Court of competent jurisdiction.

6.4 Attorneys' Fees and Costs. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding.

6.5 Amendment. This Agreement may be amended, modified or changed only by a written instrument signed by duly authorized representatives of both Parties.

6.6 Company Authority. The persons signing below warrant that they are authorized to enter into this Agreement on behalf of their respective principals identified below and that by their signatures they bind such principals to this Agreement.

6.7 Binding Agreement. This Agreement and all its terms, conditions and stipulations will be binding upon and will inure to the benefit of the Parties hereto and their respective legal representatives, heirs, successors and permitted assigns.

6.8 Confidentiality. Franchisee and Personal Guarantor(s) agree to maintain this Agreement, the terms hereof, and any and all information obtained or provided by either Party in order to initiate a contractual relationship, in the strictest of confidence.

6.9 Counterparts. This Agreement, and those contemplated herein, may be executed in counterparts, including by means of telefaxed, emailed pdf or other electronically delivered signature page, each of which will be deemed an original, but all of which together will constitute one and the same document.

6.10 Entire Agreement. This Agreement contains the entire agreement and only understanding between the Parties with respect to the subject matter hereof and supersedes all previous negotiations, agreements and understandings between the Parties and affiliates of the Parties, in connection with the subject matter covered herein, whether oral or written, and any

warranty, representation, promise or condition in connection therewith not incorporated herein will not be binding upon either Party. The Parties hereby agree that all prior agreements with between the Parties regarding the subject matter hereof are hereby terminated with no continuing duties or obligations on the part of the other Party.

6.11 Paragraph Headings. The paragraph headings appearing in this Agreement are inserted only as a matter of convenience and reference and in no way define, limit, construe or describe the scope, interpretations or extent of such paragraph or in any way affect such paragraph or this Agreement. Words in the masculine gender include the feminine and neuter. Use of the singular will include the appropriate plural numbers.

6.12 Enforceability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, not be effective to the extent of such prohibition, but such prohibition will not invalidate the remaining provisions hereof or affect the validity or enforceability of such provisions in any other jurisdiction.

6.13 Knowledge and Authority. The Franchisee and Personal Guarantor(s) acknowledge that they have carefully read the foregoing Agreement and know and understand the contents of this Agreement, have been represented by counsel, or had the opportunity to be represented by counsel, and sign this Agreement as their own free act, fully intending to be legally bound thereby. If signing for an entity, the signers below represent and warrant that they have fully authority to execute this Agreement on behalf of their respective entities.

[Signature Page Follows]

IN WITNESS WHEREOF, and by their signatures below, the Parties hereto acknowledge that they have read, understand and agree to all of the terms and provisions of this Agreement and have caused this Agreement to be executed as of _____ ("Effective Date").

FRANCHISOR:	FRANCHISEE:
CRUMBL FRANCHISING, LLC	**_____, LLC/INC.**
By: _____ (Signature)	By: _____ (Signature)
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

PERSONAL GUARANTOR(S):

By: _____ (print name)_____, personally	By: _____ (print name)_____, personally
Date: _____	Date: _____
By: _____ (print name)_____, personally	By: _____ (print name) _____, personally
Date: _____	Date: _____

EXHIBIT "I"
TO THE FDD

SIGNING CHECKLIST

TM

Franchise Documents Signing Checklist

The following items need to be filled out, signed, or dated by the party indicated. This is simply a guide. Refer to your franchise agreement for all obligations that must be performed and documents that must be delivered to us.

1. When you receive the FDD

DOCUMENT	PAGE OR SECTION NUMBER	INSTRUCTIONS	CHECK WHEN COMPLETED
FDD Receipt pages	(last 2 pages of the entire FDD packet)	There are two receipt pages at the very end of the FDD. You must sign and date both copies. You will keep the copy labeled "Franchisee Copy" and return the other copy ("Franchisor Copy") to the franchisor ("Crumbl™").	

2. When you sign the Franchise Agreement and other documents

DOCUMENT	PAGE OR SECTION NUMBER	INSTRUCTIONS	COMMENTS
Franchise Agreement	(page 1)	Fill in the franchisee name	
Franchise Agreement	(page 3)	In first paragraph fill in date and franchisee name.	

Franchise Agreement	(pages 49-50)	**1**. If the franchisee is an entity, (1) fill in the entity name on the indicated line, and have the president, manager, etc. sign on behalf of the entity. **2**. If there is no entity, the franchisee will sign on the lower lines and print his or her name on the line before "personally."	
Territory	Exhibit A-1 (page 51)	If the premises is not already known, this will be filled out and initialed later.	
Company Reps. and Warranties	Exhibit A-2 (pages 52-53)	The franchisee must fill in the appropriate fields, date, and sign. Fill in the franchisee name, address, and email.	
Principal Confidentiality & Non-Compete	Exhibit A-4 (pages 56-60)	Each owner and principal manager of the franchisee must fill out and sign and date a separate form.	
Management Employee Non-Compete	Exhibit A-5 (pages 61-63)	All your management level employees need to fill out and sign separate non-compete agreements. **1.** On the first page, the management employee will fill in the date the document is signed and will list you or your company as the franchisee, and the employee will fill in their address. **2.** Each of your management employee must sign this document.	
Employee Confidentiality Agreement	Exhibit A-6 (pages 64-67)	Franchisee's employees with access to the recipes fill in the blanks, date, and sign. Each separate employee needs to sign and date.	
Landlord's Consent to Assignment	Exhibit A-7 (page 68)	Before you sign any lease, the terms of this consent must incorporated into your lease. Landlord fills in the blanks, dates, and signs.	
Financier or Lessor's Consent to Assignment	Exhibit A-8 (page 69)	Before you lease or finance any business assets, you shall require such financier or lessor to consent to the terms in Exhibit A-9 and shall have such consent be incorporated into such lease or financing agreement. Lender and/or Lessor fills in the blanks, dates, and signs.	

ACH Agreement	Exhibit A-9 (page 70)	This must be filled out with all the appropriate bank information and signed.	
Addendum for the States of Illinois, Maryland, Minnesota, North Dakota, Washington, and Wisconsin	Exhibit A-10 (page 71-79)	If the franchisee is from one of these states or if the franchisee will be operating in one of these states, the franchisee must sign the applicable state addendum (other than Wisconsin that does not require a signature).	
Guaranty of Assumption of Obligations	Exhibit A-11 (page 80-82)	Franchisee must fill in the date, the name of its entity and the date of the franchise agreement on the first page. The owners of the franchisee must sign the second page.	
Statement of Prospective Franchisee	FDD Exhibit – B	The franchisee must fill in, initial, sign, and date where indicated.	

DOCUMENT	INSTRUCTIONS	CHECK WHEN COMPLETED
Proof of insurance	The franchisee must get and maintain insurance and provide proof of insurance that lists the franchisor as an additional insured. The franchisee must provide this **annually**.	
Franchisee's d.b.a.	In the state where your franchise is located, you need to file for a dba or "doing business as" under the name "Crumbl _____." The blank line will be the city or neighborhood where your franchise is located or as assigned by the franchisor. For example, if your franchise is located in Irvine, California, your filed dba could be "Crumbl – Irvine." The franchisor must approve your dba before you file it. You must send a copy of the dba filing to the franchisor after it is filed. Please note that a dba is different from your company name if you have a company that is the franchisee. Please note that also you cannot use the name "Crumbl" as part of your company name.	

Franchisee's Certificate of Occupancy	Franchisee must provide a certificate of occupancy before you schedule on-site opening assistance/training	
Franchisee's Entity Documents	Articles of Incorporation or Organization along with Bylaws or Operating Agreement sent to franchisor.	
Copy of lease agreement	The franchisee must provide a copy of the lease agreement to the franchisor.	

RECEIPT
(Franchisee's Copy)

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 Crumbl Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we 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. The issuance date of this disclosure document is April 16, 2019, or the effective date in your state, whichever is later.

If Crumbl Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state administrator listed in Exhibit "F." Crumbl Franchising, LLC authorizes the respective state agencies identified on Exhibit "E" to receive service of process for it in the particular state.

The franchisor, Crumbl Franchising, LLC, is located at 160 E University Pkwy, Ste J , Orem, Utah 84058. Its telephone number is 801-369-7112.

The names, business addresses, and phone numbers of each franchise seller offering this franchise is as follows:

Name	Address	Phone Number
Jason McGowan	308 N 1340 E, Provo, UT 84606	801-369-7112
Sawyer Hemsley	1016 S 270 W, Logan, UT 84321	208-406-3358

I received a disclosure document dated April 16, 2019 that included the following Exhibits:

A. Franchise Agreement and its Exhibits
B. Statement of Prospective Franchisee
C. Financial Statements
D. Schedule of Franchisees
E. List of Agents for Service of Process
F. List of State Agencies Responsible for Franchise Disclosure and Registration Laws
G. Table of Contents for Operations Manual
H. Release Agreement
I. Signing Checklist

Date: _____
(Do not leave blank)

_____
Signature of Prospective Franchisee

_____
Print Name

_____
Title (if Signing for Company)

Two copies of this receipt have been placed at the end of the disclosure document. Please sign and date the receipt and return one copy to Crumbl Franchising, LLC and keep the other for your records. You may return the signed receipt either by signing, dating, and mailing it to Crumbl Franchising, LLC at 160 E University Pkwy, Ste J, Orem, Utah 84058, or by emailing a copy of the signed and dated receipt to franchising@crumbl.com.

RECEIPT
(Franchisor's Copy)

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 Crumbl Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we 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. The issuance date of this disclosure document is April 16, 2019, or the effective date in your state, whichever is later.

If Crumbl Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state administrator listed in Exhibit "F." Crumbl Franchising, LLC authorizes the respective state agencies identified on Exhibit "E" to receive service of process for it in the particular state.

The franchisor, Crumbl Franchising, LLC, is located at 160 E University Pkwy, Ste J, Utah 84058. Its telephone number is 801-369-7112.

The names, business addresses, and phone numbers of each franchise seller offering this franchise is as follows:

Name	Address	Phone Number
Jason McGowan	308 N 1340 E, Provo, UT 84606	801-369-7112
Sawyer Hemsley	1016 S 270 W, Logan, UT 84321	208-406-3358

I received a disclosure document dated April 16, 2019 that included the following Exhibits:

A. Franchise Agreement and its Exhibits
B. Statement of Prospective Franchisee
C. Financial Statements
D. Schedule of Franchisees
E. List of Agents for Service of Process
F. List of State Agencies Responsible for Franchise Disclosure and Registration Laws
G. Table of Contents for Operations Manual
H. Release Agreement
I. Signing Checklist

Date: _____
(Do not leave blank)

_____
Signature of Prospective Franchisee

_____
Print Name

_____
Title (if Signing for Company)

Two copies of this receipt have been placed at the end of the disclosure document. Please sign and date the receipt and return one copy to Crumbl Franchising, LLC and keep the other for your records. You may return the signed receipt either by signing, dating, and mailing it to Crumbl Franchising, LLC at 160 E University Pkwy, Ste J, Utah 84058, or by emailing a copy of the signed and dated receipt to franchising@crumbl.com.