**Franchise Disclosure Document**

**VINTAGE HOSPITALITY GROUP, LLC**
**d/b/a FORD'S GARAGE**
**A Florida Limited Liability Company**
**501 N Reo Street, Suite 102**
**Tampa, Florida 33609**
**813-761-3752**
**Franchise@FordsGarageUSA.com**
**www.FordsGarageUSA.com**

The franchise offered is for a Ford's Garage Restaurant that offers Prime Burgers and Craft Beers alongside a full menu and full bar. Ford's Garage gives customers the vibe of being in a 1920's service station/prohibition bar with its old-style brick, dark colors, rich wood and hand-hammered copper bar tops. The atmosphere allows customers to enjoy music, sports on the big-screen, and a delicious meal with friends or family.

The total investment necessary to begin operation of a Ford's Garage franchise is: (a) $3,653,800 to $6,538,000 (for a new restaurant ); and (b) $2,833,800 to $6,493,000 (for a conversion restaurant). This includes the $50,000 franchise fee that must be paid to the franchisor or its affiliates.

The total investment necessary to begin operation under a Multi-Unit Development Agreement is $3,678,800 (for the development of 2 Restaurants) to $6,638,000 (for the development of 5 Restaurants). This includes the $75,000 (for the development of 2 Restaurants) to $150,000 (for the development of 5 Restaurants) development fee that must be paid to franchisor or its affiliates.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive the disclosure document at least 14 calendar days before you sign a binding agreement with or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale unless otherwise stated by applicable state law. **Note, however, that no government agency has verified the information contained in this document.**

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

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

There may also be laws on franchising in your state. Ask your state agencies about them.
**ISSUANCE DATE: April 24, 2026**

## How to Use This Franchise Disclosure Document

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

| QUESTION | WHERE TO FIND INFORMATION |
|---|---|
| **How much can I earn?** | Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit F. |
| **How much will I need to invest?** | Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use. |
| **Does the franchisor have the financial ability to provide support to my business?** | Item 21 or Exhibit D includes financial statements. Review these statements carefully. |
| **Is the franchise system stable, growing, or shrinking?** | Item 20 summarizes the recent history of the number of company-owned and franchised outlets. |
| **Will my business be the only Ford's Garage Restaurant business in my area?** | Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you. |
| **Does the franchisor have a troubled legal history?** | Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings. |
| **What's it like to be a Ford's Garage Restaurant franchisee?** | Item 20 or Exhibit F lists current and former franchisees. You can contact them to ask about their experiences. |
| **What else should I know?** | These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents. |

## What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

## Some States Require Registration

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

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

## Special Risks to Consider About This Franchise

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

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

2. **Spouse Liability.** Your spouse must sign a document that makes your spouse liable for your financial obligations under the franchise agreement, even though your spouse has no ownership interest in the business. This guarantee will place both your and your spouse's personal and marital assets, perhaps including your house, at risk if your franchise fails.

3. **General Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

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

# VINTAGE HOSPITALITY GROUP, LLC FRANCHISE DISCLOSURE DOCUMENT

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EXHIBIT A: List of State Franchise Administrators/Agents for Service of Process
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To simplify the language, this disclosure document uses "we," "us" or "our" to mean Vintage Hospitality Group, LLC, the franchisor. "You" or "your" means the individual, corporation, limited liability company, partnership or other business entity that purchases a Ford's Garage franchise. If the franchisee will operate through a corporation, limited liability company, partnership or other business entity, "you" also includes the franchisee's owners.

## Item 1: The Franchisor, and any Parents, Predecessors, and Affiliates.

### The Franchisor

We are a Florida limited liability company that was formed on July 23, 2014. Our principal business address is 501 N Reo Street, Suite 102, Tampa, Florida 33609. We changed our entity name from ICON Restaurant Group, LLC to Vintage Hospitality Group, LLC in April 2024. We operate under the name "Ford's Garage" which we use in connection with our franchise system. We do not conduct business or intend to conduct business under any other names, except as described herein.

We do not own or operate any businesses of the type being franchised, however as of the issuance date of this Disclosure Document, we do have one affiliate-owned location located in Plano, Texas. We have not offered franchises in any other line of business and we do not engage in any other business activity.

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

### Parents, Predecessors and Affiliates

Parent

Effective as of September 2023, Motor City Holdings, LLC became our parent company. MCH's principal business address is 501 N Reo Street, Suite 102, Tampa, Florida 33609.

Affiliates

As of the issuance date of this Disclosure Document, none of our affiliates offer (a) products or services to System franchisees, or (b) franchises in this or any other line of business. We do not have any predecessors.

### Description of Franchise

We offer franchises for the right to establish a full-service restaurant and bar that combines the look of a 1920's service station/prohibition bar with the feel of a modern day "around the corner" Prime Burger and Craft Beer Joint offering lunch and dinner menus ("Restaurant" or "Franchised Business").

The Restaurants operate under the trade names and marks "Ford's Garage", and the additional principal service marks, trademarks, trade names, logos, emblems and indicia of origin identified in Item 13. The principal marks are owned by Ford Motor Company, who has granted us a non-exclusive license to use the applicable Marks, and to sublicense

the Marks to Ford's Garage franchisees, under a separate trademark license agreement. These principal marks and all other marks which may be designated by us in the future in writing for use with the System (defined below) are referred to in this Disclosure Document as the "Marks".

The Restaurants are established and operated under a comprehensive and unique system (the "System"). The System includes distinctive signage, interior and exterior design, décor and color scheme; special recipes and menu items, including proprietary products and ingredients; uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; inventory, management and financial control procedures (including point of purchase and tracking systems); training and assistance; and advertising and promotional programs; all of which we may change, improve, and further develop, in our discretion. Certain aspects of the System are more fully described in this Disclosure Document and the Manuals, which you should expect to evolve over time, that are provided to you as a franchisee (described in Item 11).

The average unit will range from 6,000 to 9,000 square feet in a stand-alone building or a strip center. Each Restaurant will be designed in accordance with plans we develop and will be constructed with a similar design motif and trade dress. A Restaurant generally should be located near other business establishments that will attract customers who desire the ultimate burger experience in a casual, fun environment.

**Franchise Agreement**

We offer the right to develop and operate a Restaurant under the terms of a single unit franchise agreement within a specific Protected Territory/DMA (the "Franchise Agreement"). Our current form of Franchise Agreement is Exhibit B to this Disclosure Document. You may be an individual, corporation, partnership or other form of legal entity. Under the Franchise Agreement, certain parties are characterized as Franchisee's Principals (referred to in this Disclosure Document as "your Principals"). The Franchise Agreement is signed by us, by you, and by those of your Principals whom we designate as Controlling Principals. Any owner of twenty percent (20%) or greater of your franchise entity will be designated a Controlling Principal and is required to sign a personal guaranty in conjunction with your franchise entity's execution of the Franchise Agreement. By signing the Franchise Agreement, your Controlling Principals agree to be individually bound by certain obligations in the Franchise Agreement, including covenants concerning confidentiality and non-competition, and to personally guarantee your performance under the Franchise Agreement. Depending on the type of business activities in which you or your Principals may be involved, we may require you or your Principals to sign additional Nondisclosure and Noncompetition Agreements.

**Multi-Unit Development Agreement**

In certain circumstances, we will offer the right to enter into a Multi-Unit Development Agreement in the form attached as Exhibit C to this Disclosure Document (the "Multi-Unit Development Agreement") to develop multiple franchised Restaurants to be located within a specifically described geographic territory (the "Development Area"). We will determine

the Development Area before you sign the Multi-Unit Development Agreement, and it will be included in the Multi-Unit Development Agreement. You must establish a minimum of two (2) Restaurants within the Development Area according to a Development Schedule, and you must sign a separate Franchise Agreement for each Restaurant established under the Multi-Unit Development Agreement. The Franchise Agreement for the first Restaurant developed under the Multi-Unit Development Agreement will be in the form attached as Exhibit C to this Disclosure Document. For each additional Restaurant developed under the Multi-Unit Development Agreement, you must sign the form of Franchise Agreement that we are then offering to new franchisees, which may contain materially different terms. The size of the Development Area will vary depending upon local market conditions and the number of Restaurants to be developed. We may require you or your franchise entity to execute a general release prior to the execution of the second, and any subsequent, Franchise Agreement pursuant to the Multi-Unit Development Agreement.

**The Market and Competition**

The market for the products and services offered by Ford's Garage Restaurants is well developed and highly competitive. You will serve the general public and compete with a variety of businesses, including locally owned to regional, national and chain restaurants (some of which may be franchise systems) that may be well established, with notable name recognition and with substantial financial, marketing, branding and/or other resources available to them, but none with the type of atmosphere that we provide. We may establish other Restaurants in your area (if permitted under the Franchise Agreement) and/or sell or license others to sell products in your area. Also, we may sell products through the Internet, toll-free telephone numbers, catalogs, or other similar means of distribution to customers at any location, which may be located in your area. See Items 12 and 16 for a description of your permitted activities and your rights, and our permitted and restricted activities and rights.

**Industry Regulations**

You must comply with all local, state and federal laws that apply to businesses generally, including, but not limited to: (i) the Fair Labor Standards Act and state laws governing various matters, such as minimum wage, overtime and other working conditions; (ii) Equal Employment Opportunity Commission regulations relating to discrimination, employment, sexual harassment; (iii) Occupational Safety and Health Administration regulations, food and safety regulations; (iv) any rules, regulations and governmental regulations related to any public health crises (e.g., the Coronavirus Pandemic); (v) the Americans with Disability Act of 1990; (vi) "Truth in Menu" regulations concerning menu item names and product labeling and nutritional claims; (vii) tax laws; and (viii) laws and regulations relating to citizenship or immigration status. Many of the laws, rules and regulations that apply to business generally have particular applicability to restaurants. All Restaurants must comply with federal, state and local laws applicable to the operation and licensing of a restaurant business, including obtaining all applicable health permits and/or inspections and approvals by municipal, county or state health departments that regulate food service operations.

The restaurant industry is heavily regulated. There are a wide variety of federal, state and local laws, rules and regulations that have been enacted that may impact the operation of your Restaurant. You must comply with all local, state and federal laws applicable to restaurants, including, zoning, licensing, health, sanitation, smoking, safety, fire, insecticides, use, storage and disposal of waste (including laws requiring recycling and regulating the use of certain types of containers and other materials potentially harmful to the environment). State and local agencies inspect restaurants to ensure that they comply with these laws and regulations. You should investigate whether there are regulations and requirements that may apply in the geographic area in which you are interested in locating your Restaurant and you should consider both their effect and costs of compliance.

Since you must offer beer and other alcoholic beverages for sale in connection with the operation of your Restaurant, you must have your license to offer alcoholic beverages before you open the Restaurant. The difficulty and cost of obtaining a liquor license and the procedures for securing the license vary greatly from area to area. The state and local laws and regulations that govern the sale of alcoholic beverages vary from state to state, therefore you should carefully investigate the law and regulation that will govern the sale of alcohol in your Restaurant before you sign any agreement with us. You should be aware that state "dram shop" laws give rise to potential liability for injuries that are directly or indirectly related to the sale and consumption of alcohol. Your staff must receive any training required by your state or municipality related to alcohol management (also referred to as "TIPS training").

You are responsible for identifying, investigating, satisfying and complying with all laws, ordinances, governmental orders, and/or regulations applicable to your Restaurant, including, without limitation, those implemented in connection with any public health crises (e.g.,, the Coronavirus Pandemic), because they vary from place to place, can change over time and may affect the operation of your Restaurant. It is your sole responsibility to obtain and keep in force all necessary licenses and permits required by any governmental and/or licensing agencies. You should independently research and review the legal requirements of the food services industry, and you should consult with your own attorney before you purchase your Restaurant.

## Item 2: Business Experience

**Marc Brown – *Partner***

Marc Brown is a founding member of Ford's Garage Restaurants since it was formed in July 2014. Marc has held the position of President of 23 Restaurant Services since March 2012, and works with several different restaurant concepts, including The Firestone Grill and Sky Bar, Los Cabos Cantina, Capone's Coal Fired Pizza, The Lodge, Yeoman's Topgolf Swing Suite, Tiki Docks, and Don The Beachcomber all of which are located in Florida. Marc also servess as Chairman of the Board for Motor City Holdings, LLC since July 2014. Marc is an owner and operator of Ford's Garage Restaurants in Florida.

**Steve Israel – *Partner***

Steve Israel is one of the founding members of Ford's Garage Restaurants since it was

formed in July 2014 and owns an interest in the Ford's Garage restaurant located in Plano, Texas. Steve has been a real estate owner and investor for over 25 years, owning and managing a variety of properties from marinas to industrial to residential. Steve currently owns and operates several private investments in various entrepreneurial business ventures across a broad spectrum. Steve holds a law degree and was a member of the New York State Bar.

**William T. Downs III – *President***

William T. Downs III is our President and has been in this role since August 2024. From January 2017 to present, William is Manager of Garage Development, LLC out of Novi, Michigan. Garage Development, LLC is a majority owner and operator of Ford's Garage restaurants in Michigan.

**David Ragosa – *Chief Development Officer***

David is our Chief Development Officer since March 1, 2026. From July 2023 to March 2026, David was the Vice President of Franchising and Development. From March 2019 to July 2023, David was Director of Franchising for Inspire Brands based out of Atlanta, Georgia.

**Kathleen Bush – Chief Marketing Officer**

Kathleen is our Chief Marketing Officer since April 1, 2026 from February 2023 to April 2026 she was the Vice President of Marketing for Red Robin International based out of Englewood , Colorado. From February 2022 to December 2022 she was the Senior Vice President of ICR based out of New York. From March 2020 to February 2022 she was the Vice President of Marketing for Torchy's Tacos based out of Texas.

**Becky Moldenhauer – *Vice President of Finance***

Becky is our Vice President of Finance and has been in this role since March 2022. From May 2008 to September 2021, Becky was Chief Financial Officer for Mongolian Concepts, LLC based out of Irving, Texas.

**Carrie Martin – *Vice President of Hospitality and Training***

Carrie is our Vice President of Hospitality and Training and has been in this role since November 2024. From October 2019 to October 2024, Carrie was Vice President of Operations for Mr. Brews Taphouse, LLC in Birnamwood, Wisconsin. From February 2004 to October 2019, Carrie was Vice President of Operation Services for Mongolian Concepts in Irving, Texas.

**Richard Beach – *Vice President of Construction & Design***

Richard is our Vice President of Construction & Design and has been in this role since September 2021. From June 2020 to June 2021, Richard was self-employed with R Beach Development Services based out of Tampa, Florida. From February 2018 to June 2020, Richard worked for Front Burner Restaurant Group based out of Dallas, Texas.

**Wayne Wright – *Vice President of Operations***

Wayne Wright currently serves as our Vice President of Operations, a role he assumed in

April 2025. Prior to this position, Wayne was the Vice President of Operations and Development at Fazoli's Franchising Systems, LLC in Lexington, KY, from March 2022 to April 2025. Before that, he served as the Director of Franchise Operations at Fazoli's from April 2017 to March 2022.

## Item 3: Litigation.

No litigation is required to be disclosed in this Item.

## Item 4: Bankruptcy.

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

## Item 5: Initial Fees.

*Franchise Agreement*

You will pay the Initial Franchise Fee of $50,000 simultaneously with your execution of your Franchise Agreement. The Franchise Fee is deemed fully earned and nonrefundable.

*Multi-Unit Development Agreement*

If you sign a Multi-Unit Development Agreement, you must commit to developing a minimum of two (2) Restaurants within the Development Area. We do not anticipate signing Multi-Unit Development Agreements for the development of more than five (5) Restaurants, but we reserve the right to do so. You must pay us a nonrefundable Development Fee when you sign the Multi Unit Development Agreement. The Development Fee is calculated as follows: $50,000.00 for the first restaurant you agree to develop and half of the Franchise Fee for the second and each subsequent restaurant. For example, if you sign a Multi Unit Development Agreement for the development of two (2) Restaurants, you must pay to us a Development Fee of $75,000 ($50,000.00 +$25,000.00= $75,000.00). If you sign a Multi Unit Development Agreement for the development of five (5) Restaurants, you must pay to us a Development Fee of $150,000. You will pay the remaining balance of the Franchise Fee in the amount of $25,000.00 for locations two, three or beyond at the time you sign the Franchise Agreement for each Restaurant. (See Section 3.1 of the Multi-Unit Development Agreement).

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## Item 6: Other Fees.

| Type of Fee [1] | Amount | Due Date | Remarks |
|---|---|---|---|
| Royalty Fee[2] | 5.5% of Gross Sales (excluding Gift Card sales) | Payable weekly | You must pay your royalty fee through electronic withdrawal directly to us from Gross Sales [3] generated through your business. |
| Local Advertising | Currently 0.5% of Gross Sales; May be increased up to 1% of Gross Sales | Payable to your local store marketing providers, not payable to us. | You must provide us with an advertising expenditure report within thirty (30) days after the end of each quarter to prove that you have complied with the local minimum advertising requirements. We reserve the right to increase your Local Advertising expenditure requirement to up to 1% of Gross Sales, effective on notice to you |
| Marketing Fund Contribution | Currently 1% of Gross Sales; May be increased to up to 2.5% of Gross Sales effective on notice to you | Payable weekly together with the Royalty Fee | Every week, you shall contribute 1% of your weekly Gross Sales to the marketing fund. We reserve the right to increase the Marketing Fund Contribution to up to 2.5% of Gross Sales effective on notice. |

| Type of Fee [1] | Amount | Due Date | Remarks |
|---|---|---|---|
| Cooperative Advertising [4] | Up to 2% of Gross Sales, but the cooperative may increase the rate above 2% by majority vote but such rate shall not exceed 5% | As established by cooperative | Should we establish an advertising cooperative for the region in which your Restaurant is located, you must join such advertising cooperative that we designate. (See Item 11.) Each Restaurant has one vote. Each company- owned Restaurant has one vote, if it joins a cooperative. The percentage of cooperative dues may only exceed 2% of Gross Sales if a majority of the cooperative members votes to increase the maximum. Notwithstanding the foregoing the percentage of cooperative dues will not exceed 5% percent. We will collect, on behalf of the advertising cooperative, any amounts you are required to pay the advertising cooperative, at the same time and in the same manner as we collect Royalty payments and Marketing Fund contributions. |
| Website Fee | Currently we do not charge a Website Fee, however we reserve the right to do so, not to exceed $2,000 per year, subject to reasonable increases up to 5% per year. | Payable Monthly | This fee is payable to Franchisor or to its designated vendor and will cover the costs of developing and maintaining a web page for Franchisee's Restaurant. |

| | | | |
|---|---|---|---|
| Internal Systems Fee | Currently we do not charge an Internal Systems Fee, however we reserve the right to do so, not to exceed $600.00 per month, subject to reasonable increases up to 5% per year. | Payable Monthly | Payable to Franchisor or to its designated vendor. We may, in our sole discretion: (i) increase the amount of the internal systems fees; or (ii) replace the technology with different technology (which may be developed by Franchisor, its affiliate, or a third-party). You must pay the then-current fees for the replacement technology and for continuous access to the technology. |

| Type of Fee [1] | Amount | Due Date | Remarks |
|---|---|---|---|
| Social Media Fee | Currently we do not charge a Social Media Fee however we reserve the right to do so, not to exceed $2,000 per year | Payable Monthly | This fee is payable to Franchisor or to its designated vendor and will cover the costs of monitoring and managing all social media posts for your Restaurant. |
| Pass-Through Fees | Currently $35 per month for music licensing; $281 per quarter for inspection services; $350/month for the learning management platform; and $135 per month for the gift card platform (subject to increase to capture pass-through fees charged by System vendors) | Payable Monthly; Quarterly | We currently pass through some charges directly to our franchisees. As of the issuance date of this Disclosure Document, you must pay these fees as a pass-through charge. We reserve the right to add to, discontinue or change these pass-through charges at any time on notice to you. |
| Renewal Fee | 50% of our then-current franchise fee | Upon execution of the Renewal Franchise Agreement | |

| | | | |
|---|---|---|---|
| Audit Expenses[5] | Cost of inspection or audit, plus understated amount due with interest, and all late fees, from the date originally due until the date of payment | Payable upon demand | Payable only if (i) you fail to furnish us with reports, records, or other related information we request on a timely basis; (ii) you do not spend the required Advertising Minimum; or (iii) any amount you owe to us is understated by 3% or more on an annualized basis. |
| Late Fees | 1.5% per month or the highest rate allowed by the state where you are located (whichever is lower) | Applies to all overdue fees you owe us. Also applies to any understatement in amounts due revealed by an audit. | Late fees begin from the date payment was due, but not received, or date of underpayment. Late payments of four (4) or more separate occasions in any given twenty-four (24) consecutive month period may put your franchise agreement at risk of termination. |

| Type of Fee [1] | Amount | Due Date | Remarks |
|---|---|---|---|
| Approval of Products or Suppliers | $500 to $1,000 | Applies to the costs we expend in our evaluation of new suppliers you wish to purchase from or new products you wish to purchase. | Applies to the costs we expend in our evaluation of new suppliers you wish to purchase from or products you wish to purchase. Costs vary depending on the availability of product samples for testing, shipping costs or travel costs to review the product, the type of product under review, whether the product or supplier has been rated and other similar factors. You pay our actual costs only. |
| Insurance Policies | Amount of unpaid premiums plus our reasonable expenses in obtaining the policies | When billed | Payable to us as a reimbursement only if you fail to maintain required insurance coverage and we elect, in our discretion, to obtain coverage for you. |
| Transfer Fee – Franchise Agreement or Franchised Unit | $15,000 | At the time of transfer | No fee charged to an individual or partnership franchisee that transfers its rights, one time only, to a corporate entity controlled by the same interest holders. |
| Transfer Fee – Multi-Unit Development Agreement | $15,000 | At the time of transfer | No fee charged to an individual or partnership franchisee that transfers its rights, one time only, to a corporate entity controlled by the same interest holders. |

| Type of Fee [1] | Amount | Due Date | Remarks |
|---|---|---|---|
| Substitute or New Manager Training/ Additional Training | Currently, your expenses in attending but if you have to repeat our training programs, we may charge you a fee. | Time of training | We provide an initial training program before you begin operations. If you hire a substitute or new Manager, that Manager must complete additional training at your sole cost and expense. |
| Ongoing Training | Currently, your expenses in attending | Time of assistance | From time to time, we may provide and if we do, we have the right to require that the Designated Manager attend ongoing training programs or seminars during the term of the Franchise Agreement. You will be responsible for all travel costs, room and board and employees' salaries incurred in connection with the Designated Manager's attendance at such training. |

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|---|---|---|---|
| Repair, Maintenance, and Remodeling/ Redecorating | Will vary under circumstances | As incurred | Payable to approved suppliers. You must regularly clean, maintain and "keep up" your Restaurant, its premises, furnishings, fixtures and equipment to our satisfaction. You must remodel and/or renovate your Restaurant upon our request, which will not occur more frequently than every seven (7) years. Our current model requires a premises refresh on the seven (7) year anniversary of the opening date and a full remodel on the fourteen (14) year anniversary of the opening date. Notwithstanding the foregoing, you will not be required to make any capital improvements within the last eighteen (18) months of your lease or Franchise Agreement. However, if you renew your lease or Franchise Agreement for your Restaurant, you will be required to make the necessary renovations and improvements within six (6) months of your lease or franchise agreement renewal. |

| Type of Fee [1] | Amount | Due Date | Remarks |
|---|---|---|---|
| Relocation Assistance Fee | Reimbursement of our costs | Upon demand | If you wish to relocate your Restaurant, you must reimburse us for any reasonable costs that we incur considering your requests. See Item 12 |
| Management Fee [5] | Our then-current Management Fee, not to exceed 3% of Gross Sales, plus expenses | On demand | If we step in and manage your Business under certain circumstances, you must pay us a management fee and reimburse our expenses. At our discretion we may designate a manager who will run your business if the business is not performing up to standards. |
| Mystery Shopper Fee | Upon implementation, fee to be determined | Payable as required | You must pay us a Mystery Shopper Fee if we implement a mystery shopper program |
| Reputation Management Fee | Currently we do not charge a Reputation Management Fee however we reserve the right to do so. If assessed, the Reputation Management Fee will not exceed $2,000 per year. | Payable as required | As a part of our focus on service and product excellence we monitor reputation management. If we designate a vendor for reputation management services, we have the right to require you to pay us a fee to cover the cost of such services. |

| | | | |
|---|---|---|---|
| Gift Cards [6] | $250 – $1,000 per year | Payable as incurred | You must purchase from us, our affiliate or our approved vendor (as we designate) and offer for sale at your Restaurant, gift cards including any ancillary envelopes, card carriers and other related promotional materials we designate. |
| Loyalty Program[6] | $300 – $1,500 per month, paid through the Marketing Fund | Paid through the Marketing Fund as incurred | The Marketing Fund currently covers the monthly cost of the program, subject to change. |
| Liquidated Damages [7] | See Note 7 | | |
| Cost of Enforcement | All costs including reasonable attorneys' fees | Upon demand | You must reimburse us for all costs incurred in enforcing your obligations to us if we prevail. |
| Indemnification | Will vary under circumstances | As incurred | You must reimburse us if we are held liable for claims arising out of or related to your operation of the Ford's Garage Restaurant. |

## REMARKS

1. Except as otherwise noted, all fees described in this Item 6 are non-refundable. Those fees payable to us or our affiliates may be modified by us from time to time without your approval, but they will be no greater than the fees being charged to new franchisees.

2. We require you to sign a pre-authorization form to enable us to draw against your bank account for the full amount of royalties, advertising payments (as applicable), and for any other amounts that you owe to us or our affiliates or your cooperative advertising association (as applicable). The form of that authorization is contained in Exhibit 3 to the Franchise Agreement. We will debit the account for these amounts on their due dates. Funds must be available for withdrawal. We may require payment other than by automatic debit, and you must comply with our payment instructions. If the Royalty Fee and Marketing Fund contribution we debit are less than the fees you actually owe us, we will debit your account for the balance on a day we specify. If the Royalty Fee and Marketing Fund contribution we debit are greater than the fees you actually owe us, we will credit the excess against the amount we otherwise would debit from your account during the following week. "Gross Sales" means the total of all sales and revenues generated from the operations of Prospect's Restaurant(s) from any source whatsoever or from the sale of any Licensed Products or other items through other authorized channels (e.g. Restaurant websites), including without limitation, from sales of food and beverages, sales of Licensed Products, sales

of any merchandise, any so-called "door charges", cover charges, admission charges, entertainment or special event charges, other amounts received through or by means of business conducted pursuant to this Agreement, the Franchise Agreement(s) or any other agreement between the Company and Prospect, whether for cash or credit, exclusive of: (1) sales, value added, or service taxes actually and lawfully collected from customers; (2) all customer refunds; (3) customary tips and gratuities received by Restaurant employees in the normal course of business. For the avoidance of doubt, proceeds from the sale or disposition of property and equipment not ordinarily offered for sale to customers and interest income, dividends or capital gains shall not be considered to be revenue from the operations of a Restaurant.

3. If we establish Advertising Cooperatives, they will include Ford's Garage Restaurants operated in the market area by us and our affiliates.

4. If we audit your Restaurant, and you understated the Gross Sales on the weekly (or other) statements you submitted to us by 3% or more on an annualized basis, then you must immediately pay us the cost of the audit, plus the amount of the understatement plus interest.

5. We have the right to "step-in" and operate your Restaurant in certain circumstances, including in the event of your death, disability or prolonged absence or after your default or abandonment. If we elect to exercise our right to "step-in" and operate your Restaurant, you will be required to pay our then-current Management Fee, not to exceed three (3%) percent of Gross Sales, plus the expenses (including, but not limited to travel, lodging and meals) we incur in providing you with management assistance.

6. You must participate in our Gift Card program, which will allow a Gift Card that is purchased at any Restaurant to be redeemed at any other Restaurant in the System. You must also participate in our loyalty program and any revisions or updates we make to the loyalty program.

7. If the Franchise Agreement is terminated before the expiration of the Term, you must pay us liquidated damages equal to the average monthly Royalty Fees you were required to pay to us during the thirty-six (36) months of operation before the termination (or if you have been operating for less than thirty-six (36) months, equal to the average monthly Royalty fees you paid during the period that you have operated), multiplied by the lesser of: (i) thirty-six (36) months; or (ii) the number of months remaining in the term of your Franchise Agreement. This amount is in addition to any other damages, costs and expenses (including, reasonable attorneys' fees) to which we may be entitled.

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## Item 7: Estimated Initial Investment.

**FRANCHISE AGREEMENT**

**YOUR ESTIMATED INITIAL INVESTMENT FOR PURCHASE AND CONSTRUCTION OF A FRANCHISE LOCATION**

| Type of Expenditure | Amount[1] (New Construction) | Amount (Conversion) | Method of payment | When due | To whom payment is to be made |
|---|---|---|---|---|---|
| Initial Franchise Fee[2] | $50,000 | $50,000 | Lump Sum | Signing of Franchise Agreement | Franchisor |
| Grand Opening Advertising [3] | $5,000 | $10,000 | Lump Sum | During the Grand Opening Period | Third Parties |
| New Restaurant Opening Team Expenses[4] | $100,000 – $150,000 | $100,000 – $150,000 | Lump Sum | At the time of service | Franchisee to Franchisee, Airlines, Hotels |
| Franchisee Manager Training Expenses[5] | $50,000- $150,000 | $50,000- $150,000 | As incurred | During Training | Employee wages, Airlines, Hotels, Restaurants and other Businesses |
| Lease Payments 6 Months[6] | $60,000 – $300,000 | $60,000 – $300,000 | As Agreed | Before Beginning Operations | Landlord |
| Security Deposit[7] | $12,000 – $300,000 | $12,000 – $300,000 | As Agreed | Before Beginning Operations | Landlord |
| Leasehold Improvements[8] | $2,000,000 – $3,200,000 | $1,200,000 – $3,200,000 | As Agreed | Before Beginning Operations | Approved Contractor |

| Type of Expenditure | Amount[1] (New Construction) | Amount (Conversion) | Method of payment | When due | To whom payment is to be made |
|---|---|---|---|---|---|
| Computer Equipment, AV and Software[9] | $15,000 -- $15,000 | $15,000 – $15,000 | As Agreed | Before Beginning Operations | Approved Vendor |
| Office Expenses[10] | $1,000 – $2,000 | $1,000 – $2,000 | As Agreed | Before Beginning Operations | Approved Vendor |
| Signage[11] | $50,000 – $100,000 | $50,000 – $100,000 | As Agreed | Before Beginning Operations | Approved Vendor |
| Furniture and Equipment[12] | $1,000,000 – $1,250,000 | $950,000 – $1,250,000 | As Agreed | Before Beginning Operations | Approved Vendor |
| Utilities[13] | $500 – $15,000 | $500 – $15,000 | As Incurred | Before Beginning Operations | Utility Provider |
| Uniforms[14] | $10,000 – $20,000 | $10,000 – $20,000 | As Agreed | Before Beginning Operations | Approved Vendor |
| Inventory [15] | $60,000 – $100,000 | $60,000 – $100,000 | As Agreed | Before Beginning Operations | Approved Supplier |
| Architecture Fees[16] | $75,000 – $150,000 | $50,000 – $100,000 | As Agreed | Before Beginning Operations | Approved |
| Insurance[17] | $3,000 – $20,000 | $3,000 – $20,000 | As Agreed | Before Beginning Operations | Insurance Agent |
| Licenses and Permits[18] | $2,000 – $150,000 | $2,000 – $150,000 | As Agreed | Before Beginning Operations | Government Agencies |

| Type of Expenditure | Amount[1] (New Construction) | Amount (Conversion) | Method of payment | When due | To whom payment is to be made |
|---|---|---|---|---|---|
| Legal and Accounting[19] | $5,000 – $25,000 | $5,000 – $25,000 | As Agreed | Before Beginning Operations | Accountants, Lawyers |
| Dues and Subscriptions[20] | $300 – $1,000 | $300 – $1,000 | As Agreed | Before Beginning Operations | Associations & Suppliers |
| Additional Funds[21] | $100,000 – $400,000 | $100,000 – $400,000 | As Agreed | Upon Beginning Operations | Not Specified |
| **Total**[21, 22] | $3,548,800- $6,403,000 | $2,728,800- $6,358,000 | | | |

The above figures are estimates only. In general, none of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable. Whether amounts you pay to others are refundable depends on the arrangements you make with them. We do not finance any portion of your initial investment.

## EXPLANATORY NOTES

1. This is our good faith estimate on the estimated range of costs to develop and open one new Restaurant operated from a leased commercial space. In estimating the range of costs, we relied on our affiliates' experience in the restaurant business, particularly in operating Ford's Garage Restaurants, and on the experience of our affiliates' owners, officers, and affiliates, as discussed in Items 1 and 2 of this Franchise Disclosure Document. You should carefully review these figures with your business advisor and conduct your own due diligence in the area in which you wish to open a Restaurant before making any decision to purchase a Ford's Garage Restaurant Franchise.

2. Initial Franchise Fee. The Initial Franchise Fee is payable to us when you sign the Franchise Agreement and is nonrefundable.

3. Grand Opening Advertising: You may be required to conduct a grand opening advertising campaign commencing 30 days prior to the date of your scheduled opening and continuing for the 30-day period after you open. If required, you must expend not less than (i) $5,000 on the grand opening advertising campaign if you execute a franchise agreement to open and operate a new Restaurant; or (ii) $10,000 on the grand opening advertising campaign if you execute a franchise agreement to open and operate a conversion Restaurant.

4. New Restaurant Opening Team Expenses. A training team (likely provided by an existing franchisee) will be sent to assist you with the grand opening of your Restaurant. You must pay this training team directly for the grand opening assistance services, which we estimate will range from $100,000 to $150,000.

5. Franchisee Manager Training Expenses. The estimate provided does not include manager wages. You are responsible for the wages, transportation and expenses for meals and lodging while your managers attend training. The total cost will vary depending on the number of people attending, how far they travel and the type of accommodations you choose. These expenses are typically non-refundable. Before making airline ticket, hotel, rental car or other reservations, you should inquire about the refund policy in the event you need to cancel any reservation.

6. Lease Payments. If you do not own a building appropriate for your Restaurant, or will not be purchasing such building, then you will need to lease a site for your Restaurant. Typically, sites for Ford's Garage Restaurants range from 6,000 to 9,000 square feet in a free-standing building or a strip center. Your base rent is estimated to be in the range of $12,000 to $50,000 per month, but of course, this may vary. Landlords may vary the base rental rate and charge rent based on a percentage of gross sales. In addition to the payment of base rent, your lease may require you to pay common area maintenance charges ("CAM Charges") as well as for your pro rata share of the real estate taxes and insurance, and your pro rata share of other charges. The actual amount you pay under the lease will vary depending on the size of the Restaurant, the types of charges that are allocated to tenants under the lease, your ability to negotiate with landlords and the prevailing rental rates and market strength in the geographic region. Obtaining permits and constructing the premises for your Restaurant may take as little as four (4) months or as long as twelve (12) months, but again, this may vary. Usually, landlords will allow you to not pay rent for the first three (3) to four (4) months of your lease term, to allow you to construct your Restaurant without simultaneously paying rent and construction and permitting costs. However, since the time from signing the lease to obtaining appropriate permits and constructing your Restaurant may exceed your free rent period, you may start paying rent prior to the opening of your Restaurant; thus, you may end up paying rent without any income. You must be prepared to pay rent while the Restaurant is unopened if construction goes beyond the free rent period.

If you elect to purchase real property, it is difficult to estimate the acquisition costs because of the wide variation in these costs based on the geographic location of your Restaurant. You will need a property which will typically be between 1.5 to 2 acres, depending on its shape, zoning and building code restrictions, the size of your Restaurant, on parking capability (125 minimum parking spaces are required) and the availability of financing on commercially reasonable terms. If you choose to purchase real property on which to build your Restaurant, your initial investment will likely be higher than what we estimate above.

7. Security Deposit. A typical lease will require you to pay the first and last months of rent, plus a security deposit equal to anywhere from one to six months of rent upon your execution of your lease. Since variables for calculating the amount in security you will be required to pay your landlord widely varies, it is difficult to provide you with a closer range for the amount of security you will be required to pay your landlord upon executing the lease for your Restaurant location.

8. Property Construction/Leasehold Improvements. We will provide you with a sample layout (Test Fit) for the interior of a typical Ford's Garage Restaurant. You will need to construct the premises for your Restaurant according to our specifications and standards. The estimate set forth in the table above, is based upon you receiving the site in "vanilla box" condition, which means

that the interior of the premises has been prepped with ample heating/cooling, walls that are ready to be painted, plumbing to stub, lighting, electrical switches and outlets, bathrooms, and a finished ceiling. These estimates take into account the amounts frequently charged by general contractors, electricians, plumbers and other licensed tradesmen, but do not include the costs of an architect. Depending on the type of work to be performed, landlords may provide monetary tenant allowances for materials or work. **Additionally, you may be able to negotiate for a period of free rent. The estimates in the table do not take into consideration tenant allowance or free rent**. Your costs may be more or less than the stated estimate, depending on the location for your Restaurant, the condition of the premises (if not delivered in the "vanilla box" phase), general contractor you select, and many other factors. If you are converting an existing restaurant to a Ford's Garage Restaurant, your leasehold improvement costs may be lower and are estimated to range from $1,200,000 to $2,800,000.

9. Computer Equipment, AV & Software. This is for computers, monitors, battery backups, audio and video equipment and other IT work. This also accounts for the POS system for the restaurant. The amounts you pay for a computer and software are typically non-refundable, or if refundable, may be subject to a "re- stocking" fee. You should inquire about the return and refund policy of the suppliers at or before the time of purchasing.

10. Office Expenses. You must purchase general office supplies including stationery, business cards and typical office equipment. Factors that may affect your cost of office equipment and supplies include local market conditions, competition among suppliers and other factors. We do not know if the amounts you pay for office equipment and supplies are refundable. Factors determining whether office equipment and supplies are refundable typically include the condition of the items at time of return, level of use and length of time of possession. You should inquire about the return and refund policy of the supplier at or before the time of purchase.

11. Signage. The range of costs represents the outright purchase of all building signage on the franchised locations only. You may choose to add a Pylon and/or monument sign, if applicable, at your own cost. Part of what makes Ford's Garage unique is the car on a lift in the facility. You will need to purchase this and install it in addition to the other required signage and displays which will be required for appropriate branding and marketing. It is subject to all local ordinances. These costs are typically not refundable.

12. Furniture & Equipment. Although some of these items may be leased, the range shown represents the actual purchase price. Equipment installation charges are included in the range of expenses for furniture, fixtures, and equipment. If you are converting an existing restaurant to a Ford's Garage Restaurant, your furniture and equipment costs may be lower and are estimated to range from $950,000 to $1,250,000.

13. Utilities. A utility deposit will typically be required only if the franchisee is a new customer of the utility company.

14. Uniforms. You will be required to purchase uniforms which comply with company standards and branding. This will be important for uniformity within the system. These fees are typically non-refundable.

15. Inventory. Although it is possible that initial inventory may be purchased on open account, the range shown represents the full cost of purchase.

16. Architecture Fees. You will typically need 2 to 3 design sets for building out your franchise and construction. You will need to hire an architect and have the designs approved by us. These fees are typically not refundable. If you are converting an existing restaurant to a Ford's Garage Restaurant, your architecture fees may be lower and are estimated to range from $50,000 to $100,000.

17. Insurance. The minimum limits of insurance we are require are as follows: Workers' compensation insurance for the statutory coverage required by the state in which your franchise is located and Employer's Liability insurance for $1,000,000 limit of coverage; Comprehensive general liability insurance for $1,000,000 per occurrence and $2,000,000 aggregate limit against all claims for bodily injury and property damage, personal and advertising injury caused by or out of your operation of the franchised business or out of the Franchisee's conduct of the business; Liquor Liability of $1,000,000 per occurrence limit and a $2,000,000 aggregate limit to cover all liquor or dram shop liability claims; Automobile Liability for all owned, non-owned, hired vehicles used in the franchised business for a Combined Single Limit property damage and bodily injury of $1,000,000; Cyber Liability for all first party and third party losses including but not limited to Ransomware, Data breach, incident response (notification, forensic work, crisis management expenses), business income and contractual indemnity for a limit of not less than $1,000,000; Umbrella liability coverage to be excess of Comprehensive General Liability, Auto Liability and Employer's Liability for a limit of $4,000,000; Property insurance coverage for 100% of the current replacement cost of the building (if applicable) and all business personal property including build out costs, used in the franchised business. This policy must also provide business income coverage for lost profit and royalties due to a covered loss. If your franchised business is located in a flood, wind or earthquake zone you must also purchase coverage to protect your assets. Employment Practices Liability is required at a limit of $1,000,000, naming us as Co-Defendant for all first and third party wrongful acts and Wage & Hour Defense coverage for minimum $100,000. All insurance coverage will be provided by an insurance company with a minimum AM Best Rating of A-VII and be acceptable to us, include waiver of subrogation, be primary and non-contributory to any insurance we might carry and provide 30 days advance notice of cancellation . You must provide us a certificate of insurance naming Franchisor as additional insured on all liability policies when requested, 15 days prior to every renewal, 30 days before opening or whenever operations of any kind begin including signing a lease. We may hire at any time a 3rd party to monitor insurance coverage for which you will comply by sending a certificate of insurance to our representative. We reserve the right but not the duty to force place coverage on your behalf if you fail to provide us with a compliant certificate of insurance for which you will reimburse us immediately upon notification. We reserve the right at any time to require use of a specific insurance provider. You must also comply with all Federal, State, and municipal laws and insurance requirements and lease insurance requirements. A twenty (20%) percent down payment of the annual premium for general liability insurance and workers′ compensation insurance costs is included in the low-end estimate, and the full annual premium is included in the high estimate. Additional factors that may affect your cost of insurance include, but are not limited to, the size and location of the franchised business, equipment, inventory and the number of employees. The amounts you pay for insurance are typically non-refundable. You should inquire about the cancellation and refund policy of the insurance carrier or agent at or before the time of purchase. PROOF OF PROPER INSURANCE AND CORRECT COVERAGES ARE DUE ONCE A NEW RESTAURANT OBTAINS ITS CO AND 30 DAYS OUT FROM OPENING ANNIVERSARY DATE ANNUALLY.

18. Licenses & Permits. State and local government agencies typically charge fees for

occupancy permits, operating licenses and permits to make improvements to your office and storage area. You will need to check with your state and local agencies to find out about the specifics for the area you are looking to open a franchise. You must also obtain a liquor license in order to open a franchise. Depending upon the date and municipality where your franchised business is located, the cost of a liquor license may be significantly higher than the figures in the above table. You are encouraged to investigate the cost and expenses associated with obtaining a liquor license, and any cancellation or refund policies, in the area in which you are looking to open a Restaurant before you sign any agreement with us. These fees are typically non-refundable.

19. Legal & Accounting. You will need to employ an attorney, an accountant and other consultants to assist you in establishing your franchised business. These fees may vary from location to location depending on the prevailing rates of local attorneys, accountants and consultants and your existing relationships. These fees are typically non-refundable. You should inquire about the refund policy of the attorney, accountant or consultant at or before the time of hiring.

20. Dues and Subscriptions. You should join the local Chamber of Commerce in addition to local business networking groups in your market. Membership fees vary from area to area. These fees are typically not refundable. You should inquire about the cancellation and refund policy of the local area Chamber of Commerce at or before the time of membership enrollment. You may choose to join various other business associations. These expenses are typically non-refundable. You should inquire about the cancellation and refund policy of the organizations at or before the time of purchase.

21. Additional Funds. We recommend that you have a minimum amount of money available to cover operating expenses for the first 6 months that the franchised business is open. The lower end represents estimated expenses to maintain minimal operations without any sales for three months. The high end is a more conservative working capital estimate. We cannot guarantee that our recommendation will be sufficient. Additional working capital may be required if sales are low or operating costs are high. These expenses are typically non-refundable.

22. Total. In compiling this chart, we relied on our and our affiliates' industry knowledge and experience in the business of the type being franchised. The amounts shown are estimates only and may vary for many reasons, including the condition of your facility, the capabilities of your management team, where you locate your franchised business and your business experience and acumen. You should review these estimates carefully with an accountant or other business advisor before making any decision to buy a franchise. These figures are estimates only and we cannot guarantee that you will not have additional expenses in starting the franchised business.

## MULTI-UNIT DEVELOPMENT AGREEMENT

| YOUR ESTIMATED INITIAL INVESTMENT FOR MULTI-UNIT DEVELOPMENT AGREEMENT DEVELOPMENT OF TWO TO FIVE RESTAURANTS | | | | |
|---|---|---|---|---|
| **Type of Expenditure** | **Amount** | **Method of Payment** | **When Due** | **To Whom Payment is to be Made** |

| | | | | |
|---|---|---|---|---|
| Development Fee [1] | $75,000 – $150,000 | Lump Sum | Upon signing of Multi-Unit Development Agreement | Franchisor |
| Other Expenditures for 1st Restaurant [2] | $3,603,800 – $6,488,000 | As per tables above | As per tables above | As per tables above |
| **TOTAL** | $3,678,800– $6,638,000 | | | |

**EXPLANATORY NOTES**

1. If you sign a Multi-Unit Development Agreement, you must commit to developing a minimum of two (2) Restaurants within the Development Area. We do not anticipate signing Multi-Unit Development Agreements for the development of more than five (5) Restaurants. When you sign the Multi-Unit Development Agreement, you will pay a nonrefundable Development Fee of $50,000.00 for the first restaurant you agree to develop and half of the Franchise Fee for the second and each subsequent restaurant. You will pay the remaining balance of the Franchise Fee $25,000.00 for locations two, three or beyond at the time you sign the Franchise Agreement for each one. The range for the Development Fee is $75,000 for the development of two (2) Restaurants to $150,000 for the development of five (5) Restaurants, payable to us or our affiliates. (See Section 3.1 of the Multi-Unit Development Agreement).

2. Other Expenditures for 1st Restaurant. The low end of the estimate assumes that you will develop a Ford's Garage Restaurant of approximately 6,000 square feet, and the high end of the estimate assumes that you will develop a Ford's Garage Restaurant approximately of 9,000 square feet. The costs associated with your build out of the additional Restaurants are subject to factors that we cannot estimate or control, such as inflation, increased labor costs the increased costs of materials or the nature of the "work letter" (if any) that you are able to negotiate with your landlord.

3. Estimates for Second and Subsequent Restaurants are not Included. The estimates in this Table do not include any costs and expenses you will incur for the development of your second, or any subsequent, Restaurant. Additionally, the initial investment estimated for your second and subsequent Restaurants is subject to increase in the future. Please refer to Item 7 of our then-current Franchise Disclosure Document for updated initial investment estimates for your second and subsequent Restaurants.

## Item 8: Restrictions on Sources of Products and Services.

Obligation to Purchase or Lease Products or Services from Us and/or Our Affiliates:

As of the issuance date of this disclosure document, you are not required to purchase any

specific products or services from us or our affiliates. We and/or our affiliates reserve the right to require you to buy or lease products and/or services from us and/or our affiliates at any time in the future, without restriction. We and our affiliates have the right to derive material consideration on account of supplying or providing any products and/or services to you and/or other franchisees.

As of the issuance date of this Disclosure Document, none of our principals or officers have any ownership interest in any of our approved suppliers.

Obligation to Purchase or Lease Products or Services from Approved Suppliers:

You are required to purchase or lease certain products and services (including all food and beverage items, ingredients, supplies, and other products used or offered for sale at the Restaurant) solely from suppliers approved or designated by us. Additionally, as of the issuance date of this disclosure document, you must purchase gift cards including any ancillary envelopes, card carriers and other related promotional materials we designate, from our designated 3rd party. A complete list of our Approved Suppliers will be included in our Operations Manual and is subject to change over time. We will provide you with written notice of any changes to the Approved Suppliers list. Requiring you to purchase or lease from approved suppliers is necessary to ensure that you adhere to the uniformity requirements and quality standards associated with Ford's Garage Restaurants. In addition to the products and services that we may require you to purchase from an approved supplier, we will provide you with a list of specific brands of equipment that you may purchase from any vendor. We estimate that your purchases from us or approved suppliers, or that must conform to our specifications, will represent approximately 60% to 90% of your total purchases in establishing the Restaurant, and approximately 70% to 85% of your total purchases in the continuing operation of the Restaurant.

Obligation to Purchase or Lease Products or Services that Meet our Standards and Specifications

With respect to those products or services that you are not required to lease or purchase from us or our Approved Suppliers but which you must lease or purchase in connection with the operation of your Restaurant, you must purchase or lease products and services that conform to the standards and specifications stated in our Operations Manual. You must ensure that all products and services that you select conform to our standards and specifications throughout the term of the Franchise Agreement.

Our Specifications and Standards

We have spent substantial time, effort and funds in developing our unique System. Some of the distinctive characteristics of the System include, among other items: (i) the Marks; (ii) distinctive exterior and interior design, décor, color and identification schemes and furnishings, specifically designed furniture and fixtures; and (iii) special menu items,

standards, specifications and procedures for operations. You must, therefore, purchase or lease and install all fixtures, furnishings, equipment (including point of sales, computer hardware and software), décor items, signs and related items we require, all of which must conform to the standards and specifications stated in our Operations Manual or otherwise in writing, unless you have obtained our prior written consent to do otherwise.

You must operate the Restaurant in strict conformity with the methods, standards and specifications that we prescribe in our Operations Manual or otherwise in writing, in order to make sure that you maintain the highest degree of quality and service. Additionally, you must, at all times, maintain sufficient supply for sale and use only those food and beverage items, ingredients, products, materials, supplies and paper goods that meet our standards and specifications. All menu items must be prepared in accordance with the recipes and procedures specified in our Operations Manual or other written materials. You must, upon reasonable notice to you, allow us (or our agents) to remove a reasonable number of samples of food or non-food items from your inventory or from the Restaurant free of charge to be tested, in order to determine whether the samples meet our then-current standards and specifications. If the sample fails to conform to our specifications, we may require you to pay for the testing.

You must conform to our high and uniform standards pertaining to construction, quality, service, safety, cleanliness, appearance and service. You may not deviate from our standards and specifications without first obtaining our written consent. This is important to you, other franchisees and to the System as a whole. We can, and expect to, modify our standards and specifications as we deem necessary. We will provide you with written notice of any modifications to our standards and/or specifications, and you must comply with any such modifications.

Approval of Alternative Suppliers

If you want to use any item, service or supplier in establishing or operating your Restaurant that we have not approved, you must first send us sufficient information, specifications or samples for us to determine whether the item or service complies with our standards and specifications or whether the supplier meets our approved supplier criteria. You must reimburse us for all of our reasonable expenses that we incur in connection with determining whether we will approve an item, service or supplier. We will decide within a reasonable time (usually 30 days) after receiving the required information whether you may purchase or lease the items or services from the proposed supplier. While we do not make our supplier evaluation criteria available to you or any supplier, our approval process generally focuses on the supplier's dependability, general reputation and ability to provide sufficient quantity of products or services, and the price and quality of the products or services. We have the right to review, from time to time, our approval of any items or suppliers. We may revoke our approval of any item, service or supplier at any time by notifying you and/or the supplier. You must, at your own expense, promptly cease using, selling or providing any items or services which are disapproved by us and must promptly cease purchasing from suppliers which are disapproved by us.

Revenue from Franchisee Purchases

For the fiscal year end December 31, 2025 we derived $633,922, or 12.5% of our total revenue of $5,055,717 on account of franchisee purchases or leases. Of this amount, $630,541, or 99.5% of the total derived revenue was remitted back to the individual restaurant locations proportionally to the amount they created.

Negotiated Prices

We may negotiate group rates, including price terms, for purchases of equipment and supplies necessary for the operation of the franchised Restaurants. Presently, we do have a contract with a National Broadliner you must participate in. Note that in the future we may receive volume rebates, discounts or other benefits, financial or otherwise, from suppliers. We and our affiliate(s) may derive income from the sale of goods or services to our franchisees. We do not provide or withhold material benefits to or from you (such as renewal rights or the right to open additional Restaurants) based on whether you purchase through the sources we designate or approve; however, purchases of unapproved products or purchases from unapproved suppliers in violation of the Franchise Agreement will entitle us, among other things, to terminate the Franchise Agreement.

Cooperatives

We have entered into an arrangement with a group purchasing organization providing strategic procurement services for the benefit of the System Restaurants. We reserve the right to discontinue this arrangement at any time. Except as disclosed in this Item 8, we currently do not have any purchasing or distribution cooperatives, but we reserve the right to create and/or implement them in the future.

Insurance

At your sole expense, you must procure proper insurance and correct coverages that are due once your restaurant obtains its Certificate of Occupancy and 30 days ahead of opening. You must maintain in full force and effect during the term of this Agreement, the types of insurance listed below. All policies (except any workers' compensation insurance) shall expressly name Franchisor, as well as Ford Motor Company and their affiliates as outlined in the Operations Manual, as additional insured parties or loss payee and all shall contain a waiver of all subrogation rights against Franchisor and its successors and assigns. In addition to any other insurance that may be required by applicable law, or by lender or lessor, you must procure the following minimum limits of insurance:

a) Workers' compensation insurance for the statutory coverage required by the state in which your franchise is located and Employer's Liability insurance for $1,000,000 limit of coverage;
b) Comprehensive general liability insurance for $1,000,000 per occurrence and

$2,000,000 aggregate limit against all claims for bodily injury and property damage, personal and advertising injury caused by or out of your operation of the franchised business or out of the Franchisee's conduct of the business;

c) Liquor Liability of $1,000,000 per occurrence limit and a $2,000,000 aggregate limit to cover all liquor or dram shop liability claims;

d) Automobile Liability for all owned, non-owned, hired vehicles used in the franchised business for a Combined Single Limit property damage and bodily injury of $1,000,000;

e) Cyber Liability for all first party and third party losses including but not limited to Ransomware, Data breach, incident response (notification, forensic work, crisis management expenses), business income can contractual indemnity for a limit of not less than $1,000,000;

f) Umbrella liability coverage to be excess of Comprehensive General Liability, Auto Liability and Employer's Liability for a limit of $4,000,000;

g) Property insurance coverage for 100% of the current replacement cost of the building (if applicable) and all business personal property including build out costs, used in the franchised business. This policy must also provide business income coverage for lost profit and royalties due to a covered loss. If your franchised business is located in a flood, wind or earthquake zone you must also purchase coverage to protect your assets.

h) Employment Practices Liability is required at a limit of $1,000,000 naming us as Co-Defendant for all first- and third-party wrongful acts and Wage & Hour Defense coverage for minimum $100,000.

All insurance coverage must be provided by an insurance company with a minimum AM Best Rating of A-VII and be acceptable to us, include waiver of subrogation, be primary and non-contributory to any insurance we might carry and provide 30 days advance notice of cancellation. You must provide us a certificate of insurance naming Franchisor as additional insured on all liability policies when requested, 15 days prior to every renewal, 30 days before opening or whenever operations of any kind begin including signing a lease. We may hire at any time a 3rd party to monitor insurance coverage for which you will comply by sending a certificate of insurance to our representative. We reserve the right but not the duty to force place coverage on your behalf if you fail to provide us with a compliant certificate of insurance for which you will reimburse us immediately upon notification. We reserve the right at any time to require use of a specific insurance provider. You must also comply with all Federal, State, and municipal laws and insurance requirements and lease insurance requirements.

## Item 9: Franchisee's Obligations

**This table lists Franchisee's principal obligations under the franchise and other agreements. It will help Franchisee find more detailed information about Franchisee's obligations in these agreements and in other ITEMS of this Disclosure**

**Document.**

In the table below, the following abbreviations have these meanings: FA means the Franchise Agreement and MUDA means the Multi-Unit Development Agreement.

| Obligation | Section in Agreement | Disclosure Document Item |
|---|---|---|
| a. Site Selection and Acquisition/Lease | FA: 5 and 13, Attachments 4-6, 11-13<br>MUDA: 4 | Items 7 and 8 |
| b. Pre-opening purchases/leases | FA: 12<br>MUDA: 4 | Items 7 and 8 |
| c. Site development and other pre-opening requirements | FA: 5<br>MUDA: 4 | |
| d. Initial and ongoing training | FA: 8 | Items 6, 7 and 11 |
| e. Opening | FA: 5 and 8<br>MUDA: 5 and Attachment 1 | Item 11 |
| f. Fees | FA: 3, 4, 8,10, 12, 13, 15 and 17<br>MU.DA: 3 | Items 5, 6 and 7 |
| g. Compliance with standards and policies/Operating Manual | FA: 7, 9 and 12 | Items 8, 14 and 16 |
| h. Trademarks and proprietary information | FA: 6, 7 and Attachments 8 and 9<br>MUDA: 9 and 10 | Items 13 and 14 |
| i. Restrictions on products/services offered | FA: 12 and 13 | Items 8 and 16 |
| j. Warranty and customer service requirements | FA: 12 | Item16 |
| k. Territorial development and sales quotas | MUDA: 4, 5 and 6 | Item 12 |
| l. Ongoing product/service purchases | FA: 12 | Items 8 and 11 |
| m. Maintenance, appearance and remodeling requirements | FA: 4 and 12 | Item 6 |
| n. Insurance | FA: 14 | Items 6, 7 and 8 |
| o. Advertising | FA: 10 | Items 6,7 and 11 |
| p. Indemnification | FA: 6 and 21<br>MUDA: 14 | Not Applicable |

| | | |
|---|---|---|
| q. Owner's participation/ management/ staffing | FA: 12 | Item 15 |
| r. Records and reports | FA: 11 | Item 11 |
| s. Inspections and audits | FA: 5 and 11 | Items 6, 11 and 13 |
| t. Transfer | FA: 15 and Attachments 3-6 and 11 MUDA: 12 | Items 6 and 17 |
| u. Renewal | FA: 4 and Attachments 4, 6, and 11<br>MUDA: 7 | Item 17 |
| v. Post-termination obligations | FA: 7 and Attachments 4, 6 and 11<br>MUDA: 11 | Item 17 |
| w. Noncompetition covenants | FA: 7 and Attachments 8 and 9<br>MUDA: 11 | Item 17 |
| x. Dispute resolution | FA: 18 and 22<br>MUDA: 15 | Item 17 |
| y. Guaranty of Franchisee's Obligations | FA: 23 and Attachment 10 | |
| z. Liquidated Damages | FA: 18<br>MUDA: Not Applicable | |

## Item 10: Financing

Neither we nor any agent or affiliate offers direct or indirect financing to you, guarantees any note, lease or obligation of yours, or has any practice or intent to sell, assign or discount to a third party all or any part of any financing arrangement of yours.

## Item 11: Franchisor's Assistance, Advertising, Computer Systems and Training.

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

Pre-opening Obligations of Franchisor

**A. Multi-Unit Development Agreement**: Under the Multi-Unit Development Agreement, we will provide you with the following assistance:

1. We will grant to you the development rights to an exclusive Development Area within which you will establish, open and operate an agreed upon number of Restaurants under separate Franchise Agreements (Multi-Unit Development Agreement – Section 2.1).

2. We will review site package information on sites you select to determine if your proposed site satisfies our standards and criteria. If the site meets our criteria,

we will consent to the site for a Restaurant (Multi- Unit Franchise Agreement – Section 4.1).

3. We will provide you with the design plans and building specifications for constructing, designing, equipping, furnishing and operating your Restaurant (Multi-Unit Franchise Agreement – Section 8.3).

4. We will review your site plan and final build-out plans and specifications for conformity to our standards and specifications (Multi-Unit Franchise Agreement – Section 8.4).

5. We will provide other resources and assistance as may be developed and offered to our Multi-Unit Franchisees (Multi-Unit Franchise Agreement – Section 8.5).

**B. Franchise Agreement**: We will provide you with the following assistance and services prior to you opening your Restaurant:

1. Site Selection. We will help you determine the geographic area in which you will locate your Restaurant, provide you with our criteria for site selection, and assist you with your site selection. You are solely responsible for locating and obtaining a site that meets our standards and criteria and that is acceptable to us. If your proposed site meets our standards and criteria, we will notify you of our acceptance and the site will be deemed the "Accepted Location." If your proposed site does not meet our standards and criteria, your proposed site may be rejected. Some of the standards and criteria we will consider include, among other things: (i) the location; (ii) condition of the premises; (iii) population size; (iv) lease requirements; (v) proximity to residential, commercial, tourist and office traffic; (vi) sign visibility; (vii) traffic volume and speeds; (viii) parking availability; (ix) neighborhood economic profile; (x) competition and other tenants in the close proximity to your proposed location; (xi) proximity to other Ford's Garage Restaurants; (xii) zoning; and (xiii) overall suitability. Neither we nor any of our employees have special expertise in selecting sites; we make no representations or guarantees that your Restaurant will be profitable or successful by being located at the Accepted Location. Communication of our acceptance is intended only to indicate that the proposed site meets our minimum criteria based upon our general business experience.

   If you fail to obtain an Accepted Location for the Franchised Business within the nine (9) month period after the Effective Date of the Franchise Agreement (the "Identification, Acceptance Period"), we may terminate the Franchise Agreement upon written notice. (Franchise Agreement – Section 5.3)

   Should you fail to enter into an approved lease, sublease or purchase agreement with respect to the Accepted Location within sixty (60) days after the Identification, Acceptance Period, we have the right, in our sole discretion,

to terminate the Franchise Agreement. (Franchise Agreement – Section 5.4).

2. Lease/Purchase Agreement. We will review and approve or disapprove your lease or purchase agreement for the site for the Accepted Location, if applicable. You, however, are responsible for locating a site and negotiating the purchase or lease of the site for your Restaurant. Our review of your lease or purchase agreement and any advice or recommendations we may offer is not a representation or guarantee by us that you will succeed or be profitable at the leased or purchased premises, the lease must include certain required provisions (Franchise Agreement – Section 5.4)

3. Restaurant Build-Out. We will provide you with one set of Ford's Garage brand standard details to use to design your restaurant which you will build at your own expense. We will require you to engage our Food Service Designer for your kitchen plans which will help you get the most up to date kitchen layout and equipment specifications for your restaurant which you will be required to purchase and install. The first test fit and consultation are included in the Franchise fee. We will also assist you and your architect in creating custom plans which conform to our specifications and brand standards. You are responsible for constructing, remodeling, and/or decorating the site for your Restaurant. We estimate that the typical length of time between the signing of your Franchise Agreement and a Lease Agreement with a Landlord to the opening of the franchise is approximately 18 months. Factors that may affect the Franchisee's beginning operations include your ability to secure permits, construction timing, the time of year in which you start your new business, zoning and local ordinances, weather conditions and delays in the installation of equipment and fixtures. Prior to your seeking to obtain the required permits and authorizations necessary to build and operate the Restaurant, you shall submit to us for our approval, a complete set of your proposed final drawings and plans, which will also include your proposed final interior layout and a list of equipment specifying the type and manufacturer of each piece of equipment "Final Drawings and Plans"). (Franchise Agreement – Section 5.6)

4. Training. After you sign the Franchise Agreement and pay the applicable Initial Franchise Fee, we will provide an initial training program. The following managers must attend the initial training program: Your Restaurant Manager and five (5) other managers (collectively, the "Managers"). Your Designated Manager may also attend the initial training program but is not required to. All training will be held at a certified training center location designated by us. The training program will include classroom and on-the-job instruction on topics selected by us. You and your Managers must complete this initial training program to our satisfaction before you can commence operating your Restaurant. After the initial training, the Restaurant Manager and the other Managers are required to work at the Restaurant a minimum of thirty (30) days prior to the Opening of the Restaurant. All expenses incurred by you in having

you and your Managers attend the training (including, but not limited to, travel costs, room and board expenses and employees' salaries) shall be your sole responsibility. (Franchise Agreement – Section 8.1)

5. Operations Manual. We will provide access to our Confidential Operations Manual that currently lives on our Franchisee Management System Portal, and contains mandatory and suggested specifications, standards, and procedures. The Operations Manual is confidential and remains our property. We may revise the Operations Manual from time to time, at our sole discretion, throughout the term of your Franchise Agreement, but none of the modifications that we may make to our Operations Manual will materially alter your status and rights under the Franchise Agreement. (Franchise Agreement – Section 7.1). The table of contents to the Operations Manual is attached to this Franchise Disclosure Document as Exhibit E. As of the issuance date of this Disclosure Document, the total number of pages in the Operations Manual is 136.

6. Approved Suppliers. We will provide you with a list of our designated and approved suppliers for the supplies, opening inventory, products and services we require you to use in connection with the operation of your Restaurant. We may revise this list as we deem necessary, during the term of your Franchise Agreement. You are responsible for all necessary equipment, signs, fixtures, opening inventory and supplies (Franchise Agreement – Sections 12.6)

7. Grand Opening Assistance. In the weeks prior to the grand opening of your Restaurant, we will send one or more representatives to provide you with a minimum of 14 days of opening assistance and training (the exact number of representatives and the amount of time spent will be at our sole discretion). You must reimburse the expenses that our opening team incurs while providing opening assistance, including pro-rated salaries travel, lodging and meals. (Franchise Agreement – Sections 8.2 and 13.13) If you are opening your second or later Restaurant, we reserve the right to reduce the amount of assistance provided.

**Ongoing Obligations of Franchisor**

**Franchise Agreement**: During the operation of your Restaurant, we will provide you with the following assistance and services:

1. We will authorize the products and services for sale or use in your Restaurant. (Franchise Agreement – Section 12.6)

2. We will make available to you additional training programs and seminars concerning the operation of your Restaurant, which may be mandatory for your

Restaurant Manager and other Restaurant personnel. (Franchise Agreement – Section 8.5)

3. We will provide you with modifications to the Operations Manual as they are made available to franchisees, along with any other written materials that offer advice concerning techniques of managing and operating the Restaurant. (Franchise Agreement –Section 7.1) We have the right to change or modify the System and will notify you of any such changes. (Franchise Agreement – Section 9.2)

4. We will offer you advice and guidance on prices for products and services. (Franchise Agreement – Sections 12.21 and 13.10)

5. We will prescribe a standard accounting system (presently, Restaurant 365) in the Operations Manual. (Franchise Agreement – Section 11.1)

6. We will be available to render advice, discuss problems and offer general guidance to you by telephone, e-mail, newsletters and other methods with respect to general operating problems. (Franchise Agreement – Section 13.10) We will also make periodic visits to your Restaurant to provide you with consultation, assistance and guidance in various aspects of the operation and management of your Restaurant. (Franchise Agreement – Section 13.11)

7. At your request and based upon the availability of our personnel, we will provide you with additional on-site training at your Restaurant. You must pay our then-current per diem fee for each representative that we send to train you and your Restaurant personnel, along with reimbursing us for our expenses. (Franchise Agreement – Section 8.2)

8. We will administer the Marketing Fund. We may also establish regional advertising cooperatives. (Franchise Agreement – Section 10.3)

9. For so long as you are in compliance with your Franchise Agreement, we will list the contact information of your Restaurant on the website we or our designee establishes and maintains to advertise and promote the Ford's Garage System and Marks. (Franchise Agreement – Section 10.3);

10. We may, in our sole discretion and to the fullest extent permitted by then-applicable law, determine the minimum and/or maximum retail prices for products, goods and services available for sale at your Restaurant. If we elect to prescribe any maximum and/or minimum retail prices, you will be required to observe and adhere to the pricing standards we suggest. We may elect to set maximum and/or minimum pricing in certain geographic areas, and not others. We do not guarantee that selling products and services at our required price will increase your sales or profits. (Franchise Agreement – Section 12.21)

**Advertising Program**

A. *Grand Opening Advertising*. We may require you to conduct an advertising campaign announcing the grand opening of your Restaurant and, if required, you must expend not less than $5,000 on the grand opening advertising campaign if you execute a franchise agreement to open and operate a new Restaurant and not less than $10,000 if you execute a franchise agreement to open and operate a conversion Restaurant. If we elect to require it, your grand opening advertising campaign must be conducted in the 60-day period (comprising 30 days before and 30 days after) of the grand opening of your Restaurant. We will work with you to tailor your grand opening advertising campaign to your market. All materials used in your grand opening advertising campaign will be subject to our prior written approval. (Franchise Agreement – Section 10.1).

B. *Local Advertising*. Each month you must spend a minimum of 0.5% of your monthly Gross Sales on advertising, promotions and public relations within your Protected Territory (See Item 6). We reserve the right to increase the Local Advertising expenditure to an amount of up to 1% of your monthly Gross Sales. You must provide us with an advertising expenditure report within thirty (30) days after the end of each quarter to prove that you have complied with the local minimum advertising requirements. You may conduct advertising or promotion for your Restaurant if we have approved your advertising and promotion concepts, materials and media. Any advertising that you propose to use that has either not been prepared by us or has not been approved by us in the immediately preceding 12-month period must be submitted to us for our approval before you may use it. We will have twenty (20) days after receipt of all materials to either approve or disapprove of your proposed advertising materials. Unless we provide our specific approval of the proposed advertising materials, the materials are deemed not approved. Any materials you submit to us for our review will become our property, and there will be no restriction on our use or distribution of these materials. (Franchise Agreement – Section 10.2)

C. *National Marketing Fund*. We established the National Marketing Fund on January 1, 2022 ("National Marketing Fund"), for the enhancement and protection of the Ford's Garage brand and Marks, and to advertise the System and the products offered by Ford's Garage Restaurants. As of the issuance date of this Disclosure Document, you must contribute 1% of your monthly Gross Sales to the National Marketing Fund, which is payable on a weekly basis (see Item 6). We reserve the right to increase the National Marketing Fund contribution to an amount of up to 2.5% of your monthly Gross Sales. Any Ford's Garage Restaurants owned by us or our affiliates or that we or our affiliates may establish and operate in the future will contribute to the National Marketing Fund on the same basis.

We will direct all advertising programs and control the creative concepts, materials and media used and their placement and allocation. The National Marketing Fund is intended to enhance the general public's recognition of the Ford's Garage brand and its acceptance and use of our System. We are not obligated, in administering the National Marketing Fund,

to make expenditures for you that are equivalent or proportionate to your contributions, or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the National Marketing Fund. We may use the National Marketing Fund for national, regional and local marketing programs that we deem necessary, and we have no obligation to spend any amount on advertising in the area where you are located. (Franchise Agreement – Section 10.3)

We will determine how and where the contributions to the National Marketing Fund will be spent. This includes our right to purchase and pay for production development, production materials, ad slicks, media advertising, brochures, radio and television commercial production costs, services provided by advertising agencies, signs, public relations, telemarketing, direct mail advertising, e-mail advertising, promotional programs, advertising market research, graphics and design costs, creation, maintenance and enhancement of an internet website, internet costs, social media programs, reputation management programs, cellular telephone and smartphone media programs, advertising at sports events, mailers, door hangers, freestanding inserts/coupons, brochures and sponsorships, software development and upgrades, services provided by software affiliates or consultants, special event marketing costs, gift card program costs, miscellaneous marketing costs, technology costs, software development costs, hardware development costs, the costs incurred in administering the National Marketing Fund and such other costs and expenses as we deem appropriate and in the best interests of all Ford's Garage Restaurant Franchises. All administrative and other costs associated with or incurred in the administration of the National Marketing Fund including, but not limited to, marketing, research and administrative personnel salaries, fringe benefits and travel costs, long distance telephone charges, accounting fees, collection costs (including attorneys' fees paid in collecting past due National Marketing Fund contributions) and office supplies will be paid from the National Marketing Fund. During the fiscal year ended December 31, 2025, 61% of the National Marketing Fund was used for digital marketing and technology; 39% was used for marketing support, administrative, creative, testing, research, and menus; and nothing was spent on franchise recruitment advertising. We do not have to spend the monies in the National Marketing Fund in any particular market. While we expect to spend National Marketing Fund contributions in the year that they are received, we do not have any obligation to spend the monies in the National Marketing Fund in the calendar year in which the contributions were received. National Marketing Fund contributions (and the interest accrued) that are not spent in the calendar year in which they were paid will remain in the National Marketing Fund, with no obligation to expend such sums. National Marketing Fund surpluses, if any, will carry forward to the following year. If excess amounts remain in any fund at the end of such fiscal year, all expenditures in the following fiscal year(s) shall be made first out of such excess amounts, including any interest or other earnings of the fund, and next out of prior year contributions and then out of current contributions. We will prepare an annual statement summary showing the income to and the expenditures from the National Marketing Fund during each calendar year by March 31st of each year for the preceding year and copies of the

summary will, upon written request, be provided to you. The financial statements of the National Marketing Fund will not be audited. However, we may require that the annual accounting be reviewed or audited and reported on by an independent certified public accountant at the marketing fund's expense. None of the money deposited in the National Marketing Fund will be used to directly solicit new franchisees.

While we intend to administer the National Marketing Fund on a perpetual basis, we may, in our reasonable business judgement, terminate the National Marketing Fund at any time. The National Marketing Fund will not be terminated until all monies in the National Marketing Fund have been spent for advertising or promotional purposes or returned to contributors on a pro rata basis. If we terminate the National Marketing Fund, we have the option to reinstate it at any time. If we reinstate it, it will be operated as described above.

D. *Advertising Cooperative*. Although we are not obligated to do so, we may create a cooperative advertising program ("Advertising Cooperative") for the benefit of all franchised and affiliate-owned Ford's Garage Restaurants located in a particular region. We have the right to collect and designate all or a portion of your local advertising for cooperative advertising. We will determine the geographic territory and market areas for each Advertising Cooperative program. You must participate in any Advertising Cooperative program established in your region. If an Advertising Cooperative program is implemented in a particular region, we may establish an advertising council for franchisees in that region to self-administer the program. If a cooperative advertising program is established, your required contributions for local advertising, as provided above, can be applied to your cumulative required contribution to the cooperative advertising program. If the amount you contribute to an Advertising Cooperative is less than your local advertising requirement, you must still spend the difference locally. All contributions to the Advertising Cooperative will be maintained and administered in accordance with the documents governing the Advertising Cooperative, if any. The Advertising Cooperative will be operated solely for the collection and expenditure of the Advertising Cooperative fees for the purposes outlined above. No advertising or promotional plans or materials may be used by the Advertising Cooperative or furnished to its members without first obtaining our approval. Currently there are no Advertising Cooperatives in the System. The Advertising Cooperative is not required to prepare or distribute an annual financial statement.

We are not obligated to spend any amount on advertising in your Protected Territory / DMA.

**Website Use and Other Internet Advertising**

Websites (as defined below) are considered as "advertising" under the Franchise Agreement and are subject (among other things) to our review and prior written approval before they may be used (as described above). As used in the Franchise Agreement, the term "Website" means an interactive electronic document contained in a network of computers linked by communications software that you operate or authorize others to

operate and that refers to your Restaurant(s), Proprietary Marks, us, or the System. The term Website includes Internet and World Wide Web home pages.

In connection with any Website, the Franchise Agreement provides that you may not establish or operate a Website, web page, domain name, internet address, blog, forum or email address related to the Proprietary Marks or the System, nor may you offer, promote, or sell any products or services, or make any use of the Marks, through the Internet without our prior written approval. As a condition to granting any consent, we will have the right to establish any requirement that we deem appropriate, including a requirement that your only presence on the Internet will be through one or more web pages that we establish on our Website. We may charge you a Website fee of $2,000 per year which will cover the costs of developing and maintaining a web page for your Restaurant. This fee will be paid monthly and is subject to reasonable increases, which are not to exceed 5% per year.

You are strictly prohibited from promoting your Restaurant or using the Proprietary Marks in any manner on social or networking Websites, such as Facebook, LinkedIn, Instagram, Twitter or any similar site (collectively "Social Networking Sites"), without our prior written consent and our approval of the manner in which you do so. You may not post (including tagging or commenting on posts) and must take such steps necessary to ensure that your employees and independent contractors do not post (including tagging or commenting on posts), any information to a Social Networking Site, blog, forum or elsewhere relating to us, the Ford's Garage System, the Marks, or your Restaurant that: (i) does not comply with our social networking guidelines described in our Operating Manuals; (ii) is derogatory, disparaging, or critical of us, Ford, the Ford's Garage System or the Marks; (iii) is offensive, inflammatory or indecent; or (iv) harms the goodwill and/or public image of Ford or the Ford's Garage System and/or the Marks. We may charge you a Social Media fee not to exceed $2,000 per year which will cover the costs of managing the social media presence for your Restaurant. We may also charge you a Reputation Management fee not to exceed $2,000 per year, which will cover the costs of reviewing Internet reviews and websites and managing the reputation of your Restaurant. Each of the Social Media fee and the Reputation Management fee will be paid monthly and each of these fees are subject to reasonable and appropriate increases, not to exceed 5% per year.

**Advisory Council**

We may, in our discretion, form an advisory council to work with us to improve the System, the products and services offered by Ford's Garage Restaurants, advertising conducted by the Marketing Fund, and any other matters that we deem appropriate. If an advisory council is formed, we will have the right to approve its policies and procedures, and you must comply with those policies and procedures. If an advisory council is formed, it will act solely in an advisory capacity, and will not have decision making authority. We will have the right to form, change, merge or dissolve any advisory council.

## Computer and Point of Sale (POS) System

Prior to you opening your Restaurant, you must purchase or lease the point-of-sale system and computer hardware and software that meet our specifications and that are capable of electronically interfacing with our computer system. Our current specifications for a computer system are as follows:

| Hardware | Software |
|---|---|
| POS Hardware | Current Version of Aloha POS System Software |
| Kitchen Display System (KDS) Hardware | Current Version of Aloha KDS Kitchen Software |
| Computer | Current Version of Restaurant 365 Accounting Software Package |
| Backup Drive | Current Version of Microsoft Office |

Your computer should have a digital camera and color printer. If you currently own a personal computer that you wish to use for your Restaurant for general computer use (not for POS purposes), you may do so, provided that this computer system meets our requirements and is approved by us. You must have a high- speed internet connection in accordance with our specifications to permit us to access the point of sale (or other computer hardware and software) at the Restaurant premises as described above. This will permit us to electronically inspect and monitor information concerning your Restaurant's Gross Sales and any other information that may be contained or stored in the equipment and software. You must make sure that we have independent access at all times and in the manner we specify, at your cost. We have the right to independently access all information you collect or compile at any time without first notifying you. It will be a material default under the Franchise Agreement if you do not maintain the equipment, lines and communication methods in operation and accessible to us at all times throughout the term of the Franchise Agreement. We must have access at all times and in the manner that we specify.

Should you choose to purchase your POS system it may initially cost between $50,000 and $100,000. Lease options are available to you at a significantly reduced initial expense. We are not obligated to provide ongoing maintenance, repairs, upgrades or updates to your POS Systems. You must purchase ongoing maintenance or support agreements for the maintenance of your POS system. If you opt not to use us or our affiliate AVIT for POS/IT

install and support services, you still must choose your services provider from the list of approved suppliers or request that we approve an outsides services provider that you prefer to use. We cannot estimate the cost of a maintenance contract for your POS system, since the cost will depend on the type and extent of maintenance you select and the term of the contract.

During the term of your Franchise Agreement, we may require you, at your expense, to periodically update or upgrade your point-of-sale system and computer hardware and software, if we believe it is necessary or if required by law (for example, PCI compliance). We may introduce new requirements, and we may modify our specifications and requirements for computer systems without restriction at any time in the future. Except as disclosed in Item 16 below, there are no contractual limits on our right to change our specifications or introduce new required equipment, and there is no limit on the cost of any update and/or upgrade. You must obtain any upgrades and/or updates to the software used with the point-of-sale system and computer hardware and software, at your expense. Neither we nor any affiliate of ours is responsible for providing you with any upgrades, updates or maintenance for your point-of-sale system. In addition, we may introduce new requirements or modify existing specifications and requirements with regard to security of the computer system, software, credit card information, customer and employee data, and any personally identifiable information.

## Operations Manual

We will provide to you access to the Ford's Garage Operations Manual. The Table of Contents of the Operations Manual, along with number of pages devoted to each section, is included as Exhibit E to this Disclosure Document. (Franchise Agreement – Section 7.1) The current total page number and the number of pages devoted to each subject is 136 pages.

## Site Selection and Development

You must select the site for your Restaurant and you must obtain our approval of any proposed site in accordance with our procedures. The site must meet our site selection criteria and we may accept or reject the proposed site within our sole discretion. Ford requires you to submit information related to the location referred to as Attachment 13 (SCHEDULE G) . You must submit information and materials for the proposed site to us for acceptance no later than one hundred eighty (180) days after you have signed the Franchise Agreement. We will have 30 days after receipt of all required information to advise you whether the proposed site is accepted by us and by Ford. Unless we provide our specific acceptance of a site, the site is deemed not accepted. In evaluating a site, we will consider the factors that we deem material, which may include demographic characteristics, traffic patterns, parking, the predominant character of the neighborhood, competition within the area, rental obligations, and the site's size, appearance and other physical characteristics. Our acceptance of any particular site ("Accepted Location") is not a representation, warranty or guaranty that you will be successful at that site. Our acceptance only means that the site meets our minimum qualifications for a Ford's Garage

Restaurant. If you fail to obtain an Accepted Location within one hundred eighty (180) days after the Effective Date of your Franchise Agreement (the "Identification, Acceptance Period") we have the right, in our sole discretion, to terminate your Franchise Agreement.

Once we accept a proposed site, you must sign a lease for the site, the form of which must be approved by us. The terms of your lease must not conflict with the terms of your Franchise Agreement, and the length of the lease should not be longer than the term length of your Franchise Agreement. The Lease for the site must incorporate the terms of our form of Lease Rider. Simultaneously with your execution of the lease for the site, you will be required to sign our form of Collateral Assignment and you expressly agree to arrange for the landlord of the leased premises to sign our form of Collateral Assignment. The executed Collateral Assignment will be held by us in escrow, until such time (if any) that we may elect to effectuate an assignment of your Lease.

If you fail to enter into an approved lease (or sublease or purchase agreement) with respect to the Accepted Location within sixty (60) days after the Identification, Acceptance Period (the "Identification, Acceptance, Lease Period"), we have the right, in our sole discretion, to terminate your Franchise Agreement.

## Opening

We estimate that it will take anywhere from 12 to 18 months after you sign the Franchise Agreement before you open your Restaurant, but this depends on the site's location and condition, the extent to which you must upgrade or remodel an existing location, completing training, and complying with local laws and regulations. Please note that during any public health emergency (e.g., the Coronavirus Pandemic) certain laws, regulations and governmental orders in effect may affect your ability to open and operate your location or may restrict the operations at your location (e.g., your restaurant may be required by applicable state or local law to operate at reduced capacity). You may not open your Restaurant until: (1) you complete our initial training program to our satisfaction; (2) you pay the initial franchise fee and all other amounts then due to us; and (3) you give us certificates for all required insurance policies; and (4) you have obtained all necessary approvals, licenses and permits with respect to your Restaurant. Subject to these conditions, if you fail to develop the Accepted Location and open the Restaurant for business within the first to occur of: (a) twelve (12) months after the last day of the Identification, Approval, Lease Period or eighteen (18) months from the Effective Date of your Franchise Agreement (or the Multi-Unit Development Agreement, as the case may be), we have the right, in our sole discretion, to terminate your Franchise Agreement (and/or the Multi- Unit Development Agreement). If we terminate your Franchise Agreement under these circumstances, we will retain the initial franchisee fee you paid upon signing the Franchise Agreement and have no further obligations to you as of the date of termination and you are required to execute a general release in the form attached as Exhibit 4 to the Franchise Agreement. Also, if we terminate your Franchise Agreement under these circumstances, we have the right to "take over" your rights with respect to the Accepted Location and activate the Collateral Assignment of Lease which you are required to sign simultaneously with the Franchise Agreement. Notwithstanding the above, if we elect to purchase any assets attributable to

the Accepted Location (including improvements made in accordance with Final Drawings and Plans which we had approved), then we will purchase any such assets for the sum of the documented costs and expenses that you had spent. (Franchise Agreement – Section 5.7)

If you are a Multi-Unit Developer, you must sign your first Franchise Agreement at the same time you sign the Multi-Unit Development Agreement. The typical length of time between the signing of the Franchise Agreement and the opening of your Restaurant is the same for a Multi-Unit Developer as it is for an individual franchisee.

**Training**

Approximately 120 days prior to your Restaurant opening for business, your Restaurant Manager and five (5) other managers (collectively, "Manager Trainees") must attend and complete our initial training program to our satisfaction, before you are permitted to schedule an opening date for your Restaurant. Additional initial training is available upon reasonable request. The cost for the initial training program is included in the initial franchise fee; however, you must pay all travel, lodging, meals, wages and other expenses for your Manager Trainees and your Designated Manager (if your Designated Manager elects to attend the initial training). In addition, you will be responsible for paying $250 per week/per Manager Trainee for costs associated with their training on-site at another franchised location. You must pay us for training a replacement manager (see Item 6). (Franchise Agreement – Section 8.4) If your manager is no longer employed by you, you will have 60 days to hire a replacement manager and send the manager to our initial training program, at your cost. Periodically, your managers or employees must attend refresher-training programs to be conducted at our headquarters or another location we designate. Attendance at these programs, may be mandatory and will be at your expense. If your Managers do not satisfactorily complete the initial training program, after giving you the opportunity to hire a replacement manager to be trained, at your cost, we have the right to terminate your Franchise Agreement.

In addition, after the aforementioned initial training, the Managers are required to be working at the Restaurant for approximately thirty (30) days prior to the Opening of the Restaurant.

Training will occur after you sign the Franchise Agreement and while you are developing your Restaurant. We plan to be flexible in scheduling training to accommodate our personnel, you, and your personnel. There currently are no fixed (i.e., monthly or bi-monthly) training schedules, but there may be in the future.

In preparation for the grand opening of your Restaurant, we will provide you with an opening team of our trained representatives. The opening team will provide on-site pre-opening and opening training, supervision, and assistance to you for seventeen (17) days surrounding the date of your Restaurant opening. You will be responsible for the expenses our opening team incurs while providing you with assistance in connection with

your grand opening. These expenses include, but are not limited to, the pro-rated salaries of the personnel paid on a weekly payroll, along with the costs of their travel, lodging and meals. Additionally, you are responsible for all wages, employer taxes, and benefits for your Restaurant's hourly staff. This amount is estimated between $100,000 -$150,000.

If, during the term of your Franchise Agreement, you request that we provide additional training on-site at your Restaurant, you must pay our then-current per diem fee for each trainer we provide, and you must reimburse us for any expenses our trainers incur, such as, the costs of travel, lodging, and meals.

We may draw on the experience of our affiliate's personnel in conducting Restaurant operations training. The instructional materials used in the initial training consist of our Operations Manual, training manual, marketing and promotion materials, materials related to the operation of the point-of-sale system, and any other materials that we believe will be beneficial to our franchisees in the training process.

As of the date of this Disclosure Document, we provide the following training:

| Subject | Hours of Classroom Training | Hours of On-The-Job Training | Location |
|---|---|---|---|
| **Manager-in-Training** | | | |
| FOH Procedures | 5 | 160-170 | |
| HOH Procedures | 5 | 160-170 | |
| Office Procedures | 2 | 100-110 | |

The entire training program is subject to change without notice to you. The subjects and time periods allocated to the subjects actually taught to a specific franchisee and its personnel may vary based on the experience of those persons being trained. Jessica Shisler is our Director of Training and has held this position since October 2025. Jessica previously served as Manager of Franchise Field Training for Black Rifle Coffee Company (from January 2022 to September 2023), District Manager for Franchise Operations for Black Rifle Coffee Company (from September 2023 to December 2024) and Franchise Training Consultant for Qdoba Mexican Eats Restaurant (from January 2025 to October 2025).

We may implement necessary and appropriate modifications to our training program to protect our representatives and new franchisees during any public health emergency (e.g., the Coronavirus Pandemic). Our representatives, you and your employees will be required to comply with applicable governmental mandated or suggested guidelines.

## Item 12: Territory

**Franchise Agreement**

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we (or our affiliates) own, or from other channels of distribution or competitive brands that we control.

You are not required to achieve or maintain any given level of sales or to satisfy any other contingency in order to retain your Protected Territory/DMA and, provided that you are not otherwise in default under your Franchise Agreement, this will continue to apply even if the population in your Protected Territory/DMA increases, or you sell or transfer your franchise.

Your Franchise Agreement will specify the location that will be the Accepted Location for your Restaurant. You may only operate your Restaurant at the Accepted Location, and you may not relocate your Restaurant without our prior written consent. If, during the term of the Franchise Agreement, you wish to relocate your Restaurant, or if the Restaurant is damaged or destroyed and cannot be repaired within ninety (90) days, you will have six (6) months to relocate your Restaurant. You must submit to us in writing the materials we require in order to consider your request. We may, if we wish, inspect your proposed new location. You will be responsible for paying all expenses we incur in connection with the relocation of your Restaurant. In considering a request for relocation, we shall take into account the business desirability of the proposed new location, your Protected Territory/DMA, its distance from other and future-planned franchised locations, the demographics of the area, and other factors we deem to be reasonably appropriate. While we will not unreasonably withhold our consent to your relocation request, we will only grant our approval if: (i) you are in full compliance with the terms and conditions of your Franchise Agreement; (ii) you have paid us and our affiliates all monies owed; (iii) you have paid all obligations with respect to your existing Ford's Garage Restaurant, including, without limitation, all obligation called for in connection with your existing lease; (iv) the proposed location meets our then-current site selection criteria for Ford's Garage Restaurants and is located within your Protected Territory/DMA; and (v) you comply with the lease requirements in our then-current Franchise Agreement.

Your Franchise Agreement will grant you a Protected Territory/DMA (the "Protected Territory") based on DMAs (Designated Marketing Area). Your Protected Territory/DMA will contain a minimum population of approximately 1 0 0,000 people, with the exact size of your Protected Territory/DMA to be negotiated between you and us after taking into consideration a variety of factors specific to the location, such as, the population density, character of the neighborhood, location and number of competing businesses. Your Protected Territory/DMA may be defined by: (i) one or more 5-digit zip codes; (ii) a radius from your Restaurant, county or city boundaries; or (iii) may be identified on a map. The size of your Protected Territory/DMA will remain unchanged during the term of the Franchise Agreement, even if the population increases or decreases.

If a non-traditional site (such as, shopping malls, airports, train stations and other public transportation facilities, hospitals, hotels/resorts, colleges/universities campuses, military bases, major industrial or office complexes, casinos, amusement parks, stadiums, arenas and other sports or entertainment venues) is located within the physical boundaries of your Protected Territory/DMA then the premises of that non-traditional site will not be included in your Protected Territory/DMA and you will have no rights to operate at that non-traditional site. We may own and operate or franchise a Ford's Garage Restaurant at such non-traditional site within your Protected Territory/DMA as described in subsection (iii) below.

Your Franchise Agreement does not grant you any rights or options to operate any additional Restaurants. Each Restaurant is operated according to a separate Franchise Agreement that you sign.

Except as expressly limited by the Franchise Agreement, we and our affiliates retain all rights with respect to Restaurants, the Marks, and any products and services anywhere in the world including the right:

(i) to provide, offer and sell and to grant others the right to provide, offer and sell goods and services that are identical or similar to and/or competitive with the goods and services offered at Ford's Garage Restaurants displaying the Marks or other trade and service marks through alternative distribution channels (such as, the Internet and other forms of electronic commerce, grocery stores, catalogs or other mail order devices, "800" or other similar toll-free telephone numbers, telemarketing or other direct marketing sales, or other channels of distribution), both within and outside your Protected Territory, and under any terms and conditions we deem appropriate;

(ii) to operate and to grant others the right to operate Restaurants located outside your Protected Territory under any terms and conditions we deem appropriate and regardless of the proximity to your Restaurant;

(iii) to operate and to grant others the right to operate Restaurants at Non-Traditional Sites within and outside the Protected Territory/DMA under any terms and conditions we deem appropriate. You will not receive any compensation for our or our affiliates' sales at any Non-Traditional Sites;

(iv) to purchase, merge, acquire, be acquired by or affiliate with any company, including an existing competitive franchise or non-franchise, chain or any other business, operating one or more units located within or outside of your Protected Territory/DMA, and subsequently operate, franchise or license those units under any names or marks, including our Proprietary Marks, regardless of their location, which may be immediately proximate to your Restaurant Location;

(v) to sell Ford's Garage System products and services to national, regional and institutional accounts, even when they are situated proximate to your Restaurant location. Only we will have the right to enter into contracts with such national, regional and institutional accounts; and

(vi) to open and operate, or license third parties the right to open or operate, businesses that offer products and services similar to the Franchised Business under marks other than the Marks at any location.

We are not required to pay you if we exercise any of the above-mentioned reserved rights inside (or outside) of your Protected Territory/DMA.

As of the effective date of this disclosure document, we have not established or franchised, and have no plans to establish or franchise other businesses or another distribution channel selling or leasing similar products or services under a different trademark, but we reserve the right to do so in the future, without first obtaining your consent.

**Multi-Unit Development Agreement**

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we (or our affiliates) own, or from other channels of distribution or competitive brands that we control.

With the exception of your obligations to meet your development schedule, you are not required to achieve or maintain any given level of sales or to satisfy any other contingency in order to retain your Development Area and, provided that you are not otherwise in default under your Multi Unit Development Agreement, this will continue to apply even if the population in your Development Area increases, or you sell or transfer your franchise development rights in accordance with the terms of the Multi Unit Development Agreement.

Under your Multi-Unit Development Agreement, we will grant you the right to develop, own and operate a designated number of Ford's Garage Restaurants within a specified exclusive Development Area based on DMAs. The actual size of the Development Area will vary depending upon the availability of contiguous markets, our long-range development plans, population size and market conditions. Our designation of a particular Development Area is not an assurance that there are a sufficient number of suitable sites for Restaurants in your Development Area for you to meet your Development Schedule. You will bear sole responsibility for locating and preparing a sufficient number of suitable sites. We have no obligation to approve sites which do not meet our criteria for you to meet your Development Schedule.

We and our affiliates will not develop, own and operate or grant others the right to develop, own and operate a Ford's Garage Restaurant within your Development Area. However, we

have the right to terminate your territorial exclusivity or the Multi-Unit Development Agreement if you: (i) are not in full compliance with all of the terms and conditions of the Multi-Unit Franchise Agreement and each of the Franchise Agreements entered into in connection with your Multi-Unit Development Agreement; or (ii) fail to open and have in operation the cumulative number of Restaurants stated on the Development Schedule by the dates agreed upon in the Development Schedule. Alternatively, in the event of your failure to comply with the Multi-Unit Development Agreement, all of your Franchise Agreements or your Development Schedule, we may elect, in our sole discretion, to reduce the size of your Development Area, reduce the number of Restaurants you are obligated to develop under the Multi-Unit Development Agreement or allow others to develop Restaurants in your Development Area. Except as described above, your Development Area may not be altered unless we and you mutually agree to do so.

The Multi-Unit Development Agreement does not grant you the right to use the Marks, or to operate a Restaurant. These rights are only granted under the Franchise Agreement, which must be signed for each Restaurant, and the terms of which may differ from the terms contained in the Franchise Agreement being used on the date you execute your Multi-Unit Agreement, except for the initial franchise fee, Royalty and advertising expenditures.

Except as expressly limited by the Multi-Unit Development Agreement, we and our affiliates retain all rights with respect to Restaurants, the Marks, and any products and services anywhere in the world including the right:

(i) to provide, offer and sell and to grant others the right to provide, offer and sell goods and services that are identical or similar to and/or competitive with the goods and services offered at Ford's Garage Restaurants displaying the Marks or other trade and service marks through alternative distribution channels (such as, the Internet and other forms of electronic commerce, grocery stores, catalogs or other mail order devices, "800" or other similar toll-free telephone numbers, telemarketing or other direct marketing sales, or other channels of distribution), both within and outside your Protected Territory/DMA, and under any terms and conditions we deem appropriate;

(ii) to operate and to grant others the right to operate Restaurants located outside your Protected Territory/DMA under any terms and conditions we deem appropriate and regardless of the proximity to your Restaurant;

(iii) to operate and to grant others the right to operate Restaurants at Non-Traditional Sites within and outside the Protected Territory/DMA under any terms and conditions we deem appropriate, except that if a Non-Traditional Site is available within your Protected Territory/DMA we will give you the option to purchase the franchise and develop a Restaurant at the Non-Traditional Site. You will have 30 days after we notify you that the site is available to accept this right of first purchase. You will not receive any compensation for our or our affiliates' sales at any Non-Traditional Sites;

(iv) to purchase, merge, acquire, be acquired by or affiliate with any company, including an existing competitive franchise or non-franchise, chain or any other business, operating one or more units located within or outside of your Protected Territory/DMA, and subsequently operate, franchise or license those units under any names or marks, including our Proprietary Marks, regardless of their location, which may be immediately proximate to your Restaurant Location; and

(v) sell Ford's Garage System products and services to national, regional and institutional accounts, even when they are situated proximate to your Restaurant location. Only we will have the right to enter into contracts with such national, regional and institutional accounts.

After the opening of your final Restaurant, your rights under the Multi-Unit Development Agreement with respect to the Development Area will terminate and we and our affiliates will have the right to operate and to grant to others development rights and franchises to develop and operate Restaurants within the Development Area. Notwithstanding the foregoing, within thirty (30) days of the opening of your final Restaurant, we may, if in our sole discretion, believe that it is desirable to establish additional Restaurants within the Development Area, grant you the right to open additional Restaurants within the Development Area. This right is contingent upon you having complied with the terms of your Multi-Unit Development Agreement and being in compliance with your Franchise Agreements. If we offer an agreement ("Multi-Unit Development Agreement" or "MUDA") to develop additional Restaurants, you must exercise this right by entering into the MUDA within twenty (20) days after our notice to you. If you fail to enter into the MUDA within the requisite time frame, we shall have the right to develop the Restaurants ourselves or to sell these development rights to another multi-unit franchisee. Our right to develop or grant others the right to develop additional Restaurants in the Development Area shall be subject to the territorial rights under the Franchise Agreements for each of your respective Restaurants.

## Item 13: Trademarks

Under the Franchise Agreement, we grant you the right to operate your Restaurant under the name "Ford's Garage" and to use certain other current and future "Marks" associated with Ford's Garage Restaurant Franchises. The Multi-Unit Development Agreement does not grant to you any right to use the Marks. Your right to use the Marks is solely derived from the Franchise Agreement and limited to your operation of your Restaurant during the term of your Franchise Agreement.

You must strictly comply with our standards, specifications, rules, requirements, and instructions regarding the use of the Marks. You may not use any of the Marks as part of your corporate or other legal name. You may not modify the Marks with words, designs or symbols, except those which we license to you. You must follow our instructions for

identifying your Restaurant and for filing and maintaining the requisite trade name or fictitious name registrations. You may not use the Marks in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us. During the term of the Franchise Agreement and continuing after the expiration or termination of the Franchise Agreement, neither you nor any of your principals will, directly or indirectly, contest, challenge or assist in the contesting or challenging of, our right, title, ownership, or interest in the Marks, or contest our right to use, or license others to use, the Marks and any other mark or name that we may designate in the future. You must sign any documents that we require to protect the Marks or to maintain their continued validity and enforceability.

The Marks currently include the following principal Mark that is registered on the Principal Register of the United States Patent and Trademark Office ("USPTO"):

| Mark | Serial Number | Registration Number | Registration Date |
|---|---|---|---|
| Ford's Garage | 85619132 | 4887469 | January 19, 2016 |
| | 99130739 | 7921941 | August 26, 2025 |
| | 74459675<br>74459560<br>75164697<br>74735606<br>74429889<br>74459560 | 2092385<br>2088473<br>2067343<br>1973144<br>1872617<br>2088473 | September 2, 1997<br>August 19, 1997<br>June 3, 1997<br>May 7, 1996<br>January 10, 1995<br>August 19, 1997 |
| Ford | 74459539<br>74429898<br>74231430 | 2100574<br>1868462<br>1741469 | September 30, 1997<br>December 20, 1994<br>December 22, 1992 |
| | 75442222<br>74459557<br>74429886<br>74459675 | 2205899<br>1863707<br>1836944<br>2092385 | November 24, 1998<br>November 22, 1994<br>May 17, 1994<br>September 2, 1997 |
| | 75035044 | 2070776 | June 10, 1997 |
| Model A | 74516936 | 1928719 | October 17, 1995 |
| Model A | 74429888 | 1886187 | March 28, 1995 |

| Mark | Serial Number | Registration Number | Registration Date |
|---|---|---|---|
| Model T | 74516937 | 1947553 | January 9, 1996 |
| Model T | 74429896 | 1888592 | April 11, 1995 |

This list does not include all of the Marks we grant you the right to use in the operation of your Restaurant. We may add or subtract Marks from this list.

Ford Motor Company ("Licensor" or "Ford") has licensed to us the right to use the Marks, and to sublicense this right to our franchisees, under a trademark license agreement between Ford Motor Company and us dated August 17, 2016, as amended ("License Agreement"). The current term of the License Agreement expires on December 31, 2034 and is extendable at the end of each year for a period not to exceed ten (10) years from the first day of the succeeding contract year. Licensor may terminate the license agreement if for twenty (20) days after written notice from Ford (i) we fail to perform our obligations under the License Agreement; (ii) we assign our rights under the License Agreement or assign the principal assets necessary to conduct our franchise program or company owned Restaurants without Licensor's consent; (iii) we make a material change in our ownership without consent; (iv) we manufacture or sell Licensed Products (as defined in the License Agreement) that do not meet Licensor's safety or quality standards; (v) sell any Licensed Products outside of the United States or outside of our authorized channels of trade; (vi) we conduct our business in a manner that adversely affects the value, goodwill or reputation of Licensor, the Marks or the Licensed Products; or (vii) we purchase Licensed Products from unauthorized manufacturers. Licensor may also terminate the License Agreement if: (i) we receive more than two (2) default notices from Licensor within any twelve (12) month period; or (ii) we fail to make any payments or deliver any royalty reports when due and we do not cure such breach within five (5) business days after receipt of written notice from Licensor. We may terminate the License Agreement at any time for any reason, upon six (6) months' written notice to Licensor. Upon the expiration or termination of the License Agreement: (i) we must cease our use of the Marks in association with our System; and (ii) we and you must discontinue the use of the Marks in connection with the operation of all company-owned and franchised Restaurants or the sale of any merchandise bearing the Marks. If we lose the our rights under the License Agreement, we and you will have one hundred eighty (180) days to discontinue our respective use of the Marks (including removing all signs, menus, décor items, pictures, insignia and other items that bear the Marks) and cease doing business in a form or manner that may give the general public the impression that we are a Ford's Garage franchisor or that we and you operate Ford's Garage Restaurants. If the License Agreement expires or terminates, we presently have a plan in place that will allow you and us to seamlessly de- identify as Ford's Garage and re-identify under a new name, and you will continue to operate your Restaurant in accordance with your Franchise Agreement under the new name. While

we own the trade dress used for the décor of the Ford's Garage Restaurants, the de-identification and re-identification of your Restaurants will require you to make some modifications to your Restaurant, and you will solely be responsible for the cost of such modifications. We estimate that such modifications will cost between $100,000 and $250,000.

Presently, there are not, to our knowledge, any effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court; nor are there, to our knowledge, any pending infringement, opposition, cancellation proceedings, or material litigation, involving the Marks. We have no actual knowledge of any pending material federal or state court litigation regarding our use of any of the Marks. We also do not actually know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state. Except for the license from Ford Motor Company to us with respect to the Marks, there are no agreements presently in effect which significantly limit our rights to use or license the use of the Marks that are material to you.

You must immediately notify us when you learn of any apparent infringement of the Marks or challenge to your use of any of the Marks or claim by any person of any rights in any of the Marks. You and your principals are not permitted to communicate with any person other than us, or any designated affiliate, our counsel involving any infringement, challenge or claim, unless you are legally required to do so; however, you may communicate with your own counsel at your own expense. We are not required to take affirmative action when notified of these uses or claims, but we will take the action we think appropriate. We (and Ford Motor Company) have the right to exclusively control any litigation or USPTO or other administrative or agency proceeding caused by any infringement, challenge or claim or otherwise relating to any of the Marks, as well as the settlement thereof. You must sign any and all documents, and do what may, in our counsel's opinion, be necessary or advisable to protect our interests in any litigation or USPTO or other administrative or agency proceeding or to otherwise protect and maintain our interests and the interests of any other person or entity (including any affiliate) having an interest in the Marks.

We will indemnify and defend you against any third-party infringement claims or actions that arise solely out of your authorized use of the Marks in the manner we prescribe, and we will reimburse you for all damages for which you are held liable, provided that your use of the Marks is in full compliance with the terms of the Franchise Agreement.

Except as provided above, we are not obligated by the Franchise Agreement to protect any rights granted to you to use the Marks or to protect you against claims of infringement or unfair competition with respect to them. Although we are not contractually obligated to protect the Marks or your right to use them, as a matter of corporate policy we intend to defend the Marks vigorously.

We may require you, at your expense, to discontinue or modify your use of any of the

Marks or to use one or more additional or substitute trade names, service marks, trademarks, symbols, logos, emblems and indicia of origin, if we determine that an addition or substitution will benefit the System. You must comply with our directions within a reasonable time after receiving notice of such addition or substitution. We need not reimburse you for your direct expenses of changing the Restaurant's signs, for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

## Item 14: Patents, Copyrights and Proprietary Information (Trade Secrets).

**Patents and Copyrights**

There are no patents or pending patent applications that are material to the Franchise. We claim copyrights on the Operations Manual, our website, our marketing materials and other copyrightable items that are part of our System. We have not registered our copyrights with the United States Copyright Office.

There no agreements currently in effect which significantly limit your right to use any of our copyrighted materials.

Currently, there are no effective material determinations of the United States Patent and Trademark Office, the United States Copyright Office, or any court regarding any of the copyrighted materials. There are no material proceedings pending in either the United States Patent and Trademark Office or any court. As of the date of this disclosure document, we have no actual knowledge of any infringing uses or prior superior rights to any of our copyrighted materials, which could materially affect your use of them in the state in which your Restaurant will be located.

Any and all copyright in and to advertising and promotional materials developed by you or on your behalf will be our sole property, and you must sign those documents (and, if necessary, require your independent contractors to sign those documents) that may be deemed reasonably necessary by us to give effect to this requirement.

**Confidential Information**

Our Operations Manual and other materials contain Confidential Information (some of which constitutes trade secrets under applicable law). This information includes site selection criteria, construction plans and design specifications, recipes, training and operations materials, methods, formats, specifications, standards, systems, procedures, food preparation techniques, sales and marketing techniques, knowledge, and experience used in developing and operating Ford's Garage Restaurants, marketing and advertising programs for Ford's Garage Restaurants, any computer software or similar technology that is proprietary to us or the System, knowledge of specifications for and suppliers of products and supplies, knowledge of the operating results and financial performance of Ford's Garage

Restaurants other than your Restaurant, graphic designs and related intellectual property, customer data, and all password-protected portions of our website, intranets and extranets and the information they contain (including the email addresses of System franchisees). You and each of your principals are prohibited, during and after the term of the Franchise Agreement or Multi-Unit Development Agreement, from communicating, or using for your or any other person or entity's benefit, any confidential information or trade secrets, knowledge or know-how concerning the methods of operation of the Restaurant that may be communicated to you or any of your principals or that you may learn about. Simultaneously with your execution of the Franchise Agreement, you and your principals (including equity holders, shareholders, members, partners, officers, directors, any guarantor of your obligations under the Franchise Agreement, and all persons possessing an equivalent position in any business entity which directly or indirectly owns or controls you, if you are a business entity), will be required to sign our form of Non-Disclosure Agreement (Exhibit 8 to the Franchise Agreement) and our form of Non-Competition Agreement (Exhibit 9 to the Franchise Agreement). You and each of your principals may divulge this confidential information only to your employees who must have access to it to operate the Restaurant. Neither you nor your Controlling Principals are permitted at any time, without first obtaining our written consent, to copy, record or otherwise reproduce the materials or information nor make them available to any unauthorized person. Any and all information, knowledge, know-how and techniques related to the System that we communicate to you, including the Manual, plans and specifications, marketing information and strategies and site evaluation, selection guidelines and techniques, will be deemed confidential for purposes of the Franchise Agreement. At our request, you must require your Designated Manager and employees who will have access to our Confidential Information (and any other person or entity to whom you wish to disclose any Confidential Information) to sign Non-Disclosure Agreements with you providing that they will maintain the confidentiality of the disclosed information. At our request, you must require your employees and any other person or entity to whom you wish to disclose any Confidential Information to sign agreements providing that they will maintain the confidentiality of the disclosed information. The agreements must be in a form satisfactory to us and must identify us as a third-party beneficiary with the independent right to enforce the agreements. At our request, a copy of these signed agreements must be provided to us.

Confidential Information does not include information, knowledge, or know-how which you can demonstrate lawfully came to your attention before we provided it to you directly or indirectly; which, at the time we disclosed it to you, already had lawfully become generally known in the Industry through publication or communication by others (without violating an obligation to us); or which, after we disclose it to you, lawfully becomes generally known in the Industry through publication or communication by others (without violating an obligation to us). If we include any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that at least one of the exclusions provided in this paragraph is fulfilled.

**Operations Manual**

In order to protect our reputation and goodwill and to maintain high standards of operation

under our Marks, you must operate the Restaurant in accordance with the standards and procedures specified in our Operations Manual. We will give you access online to the Operations Manual for the term of the Franchise Agreement. You must treat the Operations Manual and any other manuals we create or approve for use in your operation of the Restaurant, and the information contained in them, as confidential. You must also use all reasonable efforts to maintain this information as secret and confidential. You may only divulge the confidential information contained within the Operation Manual to employees who need to know its content.

You may not at any time, copy duplicate, record, or otherwise reproduce any part of the Operations Manual, or let any unauthorized person have access to these materials in hard copy or any electronic format. The Manual remains our sole property and you must have the online access protected.

We may periodically revise the contents of the Operations Manual, and you must make corresponding revisions to your copy and comply with each new or modified standard. We may provide these updates to you via the Internet, email, or System-wide intranet/extranet or any other channel we determine appropriate. If there is ever a dispute as to its contents, our master copy of the Operations Manual will be controlling.

## Item 15: Obligation to Participate in the Actual Operation of the Franchised Business.

**Franchise Agreement**

We require that you personally supervise the operation of your Restaurant. You must devote your full time and best efforts for the proper, effective and efficient operation of your Restaurant. If we grant you the right to operate more than one Ford's Garage Restaurant, then you must devote the time necessary for the proper, effective and efficient operation of all of your Restaurants.

If you are an individual you must serve as the Designated Manager and if you are an entity franchisee, you must designate an individual to serve as your Designated Manager. We highly recommend your Designated Manager, as an individual, have an ownership interest in the entity franchisee. The Designated Manager must devote their full time and best efforts to the business and directly supervise the operations of the Restaurant and be responsible for the day-to-day management and proper operation of the Restaurant. The Designated Manager is the individual that will have complete decision-making authority with respect to your Restaurant and have authority to act on your behalf. At or prior to the time you execute your Franchise Agreement, you must notify us of your Designated Manager, whom we must approve. You also must notify us of any replacement Designated Manager, and you need to obtain our approval before you can appoint such replacement. The Designated Manager will be the sole individual with whom we will communicate when we need to contact you.

In addition to the Designated Manager, you must hire a manager (the "Restaurant Manager") to provide personal onsite supervision over the operations of your Restaurant. The Restaurant Manager is not required to hold an ownership interest in the franchisee entity. The Restaurant Manager must be present at the Restaurant at least 40 hours per week, the majority of which hours must be during the normal operating hours of the Restaurant. You must also retain other personnel as are needed to operate and manage the Restaurant. Your Restaurant Manager must satisfy our educational and business criteria as provided to you in our Operations Manual or other written instructions and your Restaurant Manager must be individually acceptable to us. In addition, the Restaurant Manager must be responsible for the supervision and management of the Restaurant and he or she must devote full time and best efforts to this activity. Your Restaurant Manager also must successfully complete our initial training program.

You (including your members, shareholders, partners, owners, directors, officers and any guarantor of your obligations under the Franchise Agreement) your Designated Manager and the Restaurant Manager must sign our form of Non-Disclosure Agreement and our form of Non-Competition Agreement, which are attached as Exhibits 8 and 9, respectively, to the Franchise Agreement. The non- competition provisions preclude you (including your members, shareholders, partners, owners, directors, officers and any guarantor of your obligations under the Franchise Agreement) from having any interest in or connection with any business that competes with your Restaurant during the term of your Franchise Agreement. Our form of Non-Competition Agreement provides that for a period of two (2) years after the expiration of termination of your Franchise Agreement, you (including your members, shareholders, partners, owners, directors, officers and any guarantor of your obligations under the Franchise Agreement) will be prohibited from having any interest in or connection with, any business that competes with your Restaurant and our company owned and franchised Ford's Garage Restaurants. You must send us a copy of each signed Non-Disclosure Agreement and Non-Competition Agreement. In addition, you and each of your members, shareholders, partners and owners holding twenty percent (20%) or more of the franchise entity must personally guaranty and be liable for the breach of all obligations under the Franchise Agreement by signing the franchise agreement in an individual capacity or executing a Guaranty, which is attached as Exhibit 10 to the Franchise Agreement.

At our request, you must require your managerial and other personnel who will have access to our Confidential Information (and any other person or entity to whom you wish to disclose any Confidential Information) to sign non-disclosure agreements with you providing that they will maintain the confidentiality of the disclosed information. At our request, you must require your employees and any other person or entity to whom you wish to disclose any Confidential Information to sign agreements providing that they will maintain the confidentiality of the disclosed information. The agreements must be in a form satisfactory to us and must identify us as a third-party beneficiary with the independent right to enforce the agreements. At our request, a copy of these signed agreements must be provided to us.

**Multi-Unit Development Agreement**

We require that you (or your Designated Manager) personally supervise the development of your Restaurants, in accordance with the terms and conditions of your Multi-Unit Development Agreement. Prior to the opening of your third Restaurant, you must designate, with our approval, a Director of Operations who will oversee the operations of all of your Ford's Garage Restaurants. Your Director of Operations must complete our initial training program to our satisfaction. The Director of Operations must devote their full time and best efforts to the business and directly supervise the operations of the Restaurant and be responsible for the day-to-day management and proper operation of the Restaurant. Within ninety (90) days of the death, permanent disability or termination of the Director of Operations, you must designate a successor Director of Operations. We may require you to have your Director of Operations enter into Non-Disclosure and Non-Competition Agreements with you (the Developer). These agreements must be in a form satisfactory to us and must identify us as a third-party beneficiary with the independent right to enforce the agreements. At our request, a copy of these signed agreements must be provided to us. (See Articles 10 and 11 of the Multi-Unit Development Agreement.)

## Item 16: Restrictions on What the Franchisee May Sell

You must maintain in sufficient supply and only offer and sell the menu items, ingredients, products, services, materials, supplies and paper goods that we designate as part of the Ford's Garage Restaurant System, unless: (i) you are prohibited by local law or regulation from selling such menu item, product, service or program; or (ii) you have our written consent to exclude certain menu items, products or services or programs. You must prepare all menu items with our recipes and procedures for preparation contained in the Manual or other written instructions, including the measurements of ingredients.

You may not deviate from our standards and specifications without first obtaining our written consent. If you would like to sell a menu item, product, service, or program which is not a part of the Ford's Garage Restaurant System, then you must first seek our approval.

If we consent to your request, then the subject menu item, product, service or program will become a part of the Ford's Garage Restaurant System, and we may, in our sole discretion, authorize other Ford's Garage Restaurants to offer and sell such recently approved menu item, product, service or program. We will own all rights associated with such menu item, product, service or program, and you will not be entitled to any compensation in connection therewith. We may at any time, in our sole discretion, revoke our approval.

We may periodically change required or authorized products or services, and you must comply with any such changes or revocations within a reasonable time after you receive written notice from us, except that you must immediately comply with any requested change if we require such change due to: (i) a health or safety concern; or (ii) a third-party claim regarding a particular authorized product or service. There are no limits on our right to make modifications to our System.

We require you to offer and participate in all marketing, sales specials, advertised specials, and other programs that we may implement.

## Item 17: Renewal, Termination, Transfer and Dispute Resolution.

**THE FRANCHISE RELATIONSHIP**

**This table lists certain important provisions of the franchise and related agreements. Franchisee should read these provisions in the agreement attached to this Disclosure Document. Franchisee should refer to Franchisee's state's-specific addendum attached to this Disclosure Document for exceptions to this ITEM 17.**

**Franchise Agreement**

| Provision | Section in Franchise or Other Agreement | Summary |
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| a. Length of franchise term | 4.1 | The initial term is ten (10) years. |
| b. Renewal or extension of the term | 4.2 | You may renew for two renewal terms of ten (10) years. Renewal means the continuation of Franchisee's Franchised Business under the then current Franchise Agreement and Operations Manual that may contain materially different terms and conditions than your original contract. |
| c. Requirements for franchisee to renew or extend | 4.2,<br><br>Attachment 4 | You may renew/extend the franchise term if you: have fully complied with the provisions of the Franchise Agreement; have the right to maintain possession of the accepted location or an accepted substitute location for the term of the renewal; have made capital expenditures (including remodeling) as necessary to maintain uniformity with the System; have satisfied all monetary obligations owed to us; are not in default of any provision of the Franchise Agreement or any other agreement with us; have given timely written notice of your intent to renew; sign the then-current Franchise Agreement, which may have materially different terms and conditions than your original Franchise Agreement; comply with current training requirements; pay a renewal fee equal to 50% of our then-current franchise fee; and sign a general release in a form we designate (a current sample General Release is attached as Attachment 4 to the Franchise Agreement. |

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| d. Termination by Franchisee | None | Not applicable. (Subject to state law; You may be permitted to terminate under grounds permitted by applicable state law.) |
| e. Termination by Franchisor without Cause | None | N/A |
| f. Termination by Franchisor with Cause | 16.1<br>16.2 | We may terminate your Franchise Agreement only if you default. See (g) and (h) below. |
| g. "Cause" defined – curable defaults | 16.2 | If a default arises from your failure to comply with a mandatory obligation in the Franchise Agreement or Operations Manual, you can avoid termination of the Franchise Agreement if you cure such defaults within thirty (30) days (or within such other designated cure period) after receiving notice from us identifying the default(s). Examples of curable defaults include: Franchisee's failure to maintain insurance; Franchisee's failure to make payments due to us; Franchisee's failure to comply with any mandatory specification, standard or operating procedure prescribed in the Operations Manual or otherwise prescribed in writing; or any other default not explicitly stated in the Franchise Agreement. |
| h. "Cause" defined – Non-curable Defaults | 16.1 | We have the right to terminate the Franchise Agreement without giving you an opportunity to cure such default, if you, among other things: fail to timely select an accepted site for, or establish, equip and begin operations of, the franchised business; fail to have your Restaurant Manager satisfactorily complete training; make a material misrepresentation or omission in the application for the franchise; after notice to cure, fail to refrain from activities, behavior or conduct likely to adversely affect the reputation of either party, Ford or the franchised business; are convicted of or plead no contest to a felony or other crime or offense likely to affect the reputation of either party, Ford, or the franchised business; use the Operations Manual, Training Manuals, trade secrets or other confidential information in an unauthorized manner; if required, fail to have your owners (and members of their immediate families and households), officers, directors, managers, executives and professional staff, and other individuals having access to trade secrets or other confidential information sign nondisclosure and noncompetition agreements or, if requested, fail to provide us with copies of all signed nondisclosure and noncompetition agreements; abandon the Franchised Business for five (5) or more consecutive days; surrender or transfer the Franchised Business |

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| | | in an unauthorized manner; fail to maintain the Franchised Business under the supervision of an approved manager, including following death or disability of your Designated Manager; submit reports on 2 or more separate occasions understating any amounts due by more than 3% on an annualized basis; are adjudicated bankrupt, insolvent or make a general assignment for the benefit of creditors; misuse or makes unauthorized use of the Marks; fails on 2 or more occasions within any 12 month period to submit reports or records or to pay any fees due to us or any of our affiliates; violates on 2 or more occasions any health, safety or other laws or operates the Franchised Business in a manner creating a health or safety hazard to customers, employees or the public; takes any action reserved to us; fail to comply with applicable law after notice; breach the franchise agreement or fail to comply with specifications on 2 or more occasions within any 12 month period; or default under any other agreement with us (or any of our affiliates) so that they have the right to terminate such agreement. |
| i. Termination Based Upon Cross Default of Another Agreement | 16.3 | In the event you are party to a Multi-Unit Development Agreement ("MUDA") and have entered into franchise agreements with regards to more than one (1) Restaurant, then if you default in any franchise agreement or the MUDA in a way that affects your suitability to be a franchisee (i.e. misrepresentations; conviction or pleading no contest to a felony or other crime or offense that is likely to adversely affect your reputation, our reputation or the reputation of the Franchised Business and the Ford's Garage brand; failure to pay royalties, contributions to the advertising fund, or other amounts due us; under-reporting of amounts due us; sexual harassment; or other matters that reflect negatively on you, on us, on any of our respective principals, directors and officers, or on the Brand), or impairs your ability to be a positive representative of the Brand, such default shall give us the right to terminate any or all of your other franchise agreements and Franchised Restaurants, to terminate any right you may have under the MUDA to further develop a Development Area, and gives us the right to repurchase as set forth in Section 18.5 of the Franchise Agreement (the price shall be offset by any damages you caused us or caused Ford as a result of such default). |

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| j. Franchisor's step-in rights | 16.5<br>17.1<br>17.2 | In addition to our right to terminate the Franchise Agreement, and not in lieu of such right or any other rights, we (through our designated management company, which currently is called FG Restaurant Operations, LLC) have the right (but not the obligation) under the Franchise Agreement and the Collateral Assignment of Lease (Attachment 6), if you fail to cure any default within the applicable time period (if any), to enter upon and take possession of the Accepted Location, implement the Collateral Assignment of Lease and undertake the management of the Restaurant until such time that we, in our sole discretion, determine that the default(s) at issue have been cured and that you are in compliance with the terms of the Franchise Agreement. If we exercise our "step-in rights" pursuant to this Section and as provided for in the Step-In Rights Agreement attached to the Franchise Agreement as Attachment 11, you must indemnify, defend and hold us (and our representatives and employees) harmless from and against any claims that may arise out of our operation of the Restaurant. (See §17.2)<br><br>Also, if we determine in our sole judgment that your operation of the Restaurant is deficient, or not compliant with our standards, or if a default occurs under the Franchise Agreement, any other agreement that you have with us or our affiliates (if any) or the lease for the Accepted Location, then in order to prevent: (i) an interruption of the Restaurant; or (ii) the continued operation of a substandard Restaurant which would cause harm to the System and thereby lessen its value, you agree that we (through FG Restaurant Operations, LLC or such other designate as we specify) shall have the right (but not the obligation) to operate the Restaurant for as long as we deem necessary and practical, and without waiver of any other rights or remedies that we may have under the Franchise Agreement. In our sole judgment, we may deem you incapable of operating the Restaurant if, without limitation:<br><br>(a) you are absent or incapacitated by reason of illness or death;<br><br>(b) you have failed to discharge or have failed to remove any and all liens or encumbrances of every kind placed upon or against the Restaurant; or |

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| | | (c) we determine that operational problems require that we operate the Restaurant for a period of time that we determine, in our sole discretion, to be necessary to maintain the operation of the business in accordance with our standards.<br><br>In connection with our Step-In Rights, you acknowledge and expressly agree to execute our form of Step-In Rights Agreement, attached to the Franchise Agreement as Attachment 11. We agree to indemnify, defend and hold you (and your representatives and employees) harmless from and against any claims that may arise out of our operation of the Restaurant. (See §17.2)<br><br>Note that pursuant to Attachment 11 of the Franchise Agreement, any claims that you may have relating to our ability to temporarily "step-in" and manage the operations of your Restaurant, must be brought within one (1) year of the date on which the underlying cause of action accrued or you waive any right to bring any such claims after such one (1) year period.<br><br>In the event that we exercise our "step-in" rights, we shall be entitled, with respect to each Restaurant being so managed, to receive a management fee (which may be modified from time to time in our sole discretion, but which shall not exceed 3% of the Restaurant's Gross Sales), plus the reimbursement of the costs or expenses (including, but not limited to, travel, lodging and meals for each representative sent by FG Restaurant Operations, LLC) that FG Restaurant Operations, LLC incurs in providing management or management assistance. |
| k. Franchisee's obligations on termination/ nonrenewal | Article 18 | If the Franchise Agreement expires (and is not renewed by you) or if the Franchise Agreement is terminated, you must: stop operating the franchised business; stop using any trade secrets, confidential information, the System and the Marks; if requested, assign your interest in the franchise location to us; cancel or assign to us any assumed names; pay all sums owed to us including damages and costs incurred in enforcing the Franchise Agreement; return the Operations Manual, trade secrets and all other confidential information; assign your telephone and emails to us; comply with the covenants not to |

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| | | compete and any other surviving provisions of the Franchise Agreement. |
| l. Assignment of contract by Franchisor | 15.1 | There are no restrictions on our right to assign its interest in the Franchise Agreement. |
| m. "Transfer" by Franchisee – Definition | 15.2 | "Transfer" means to sell, assign, convey, give away, pledge, mortgage, sublicense or otherwise transfer, whether by operation of law or otherwise, any interest in this Agreement, the franchise granted hereby, the Accepted Location used in operating the Franchised Business, its assets, or any part or all of the ownership interest in the Franchisee entity. |
| n. Franchisor's approval of transfer by franchisee | 15.2 | You may not transfer without our prior written consent. |
| o. Conditions for franchisor approval of transfer | 15.4 | We will consent to a transfer if: we have not exercised our right of first purchase; all obligations owed to us are paid; you and the transferee have signed a general release in the form we designate; the prospective transferee meets our then-current business and financial standards; the transferee and all persons owning any interest in the transferee sign the then current Franchise Agreement; you provides a copy of all contracts and agreements related to the transfer; you or the transferee pay a transfer fee of $15,000; the transferee or the owners of transferee have agreed to be personally bound by all provisions of the Franchise Agreement; the transferee has obtained all necessary consents and approvals of third parties; you and all of your equity owners have signed a noncompetition agreement in a form the same as or similar to the Nondisclosure and Noncompetition attached to the Franchise Agreement; the transferee has agreed that its Restaurant Manager will complete the initial training program to our satisfaction before assuming management of the franchised business; and the transferee has obtained all necessary types of insurance. |
| p. Franchisor's Right of First Purchase to acquire franchisee's business | 15.3 | If you wish to sell, transfer or assign: (1) your interest in the Franchise Agreement, (2) all or substantially all of your Operating Assets or (3) your Business, then you must notify us of the price and terms upon which you are willing to sell. If we elect not to exercise our Right of First Purchase or fail to close the sale within the requisite time frame, then you agree to market your potential sale with us for six months; thereafter, if you have not entered into an agreement with a buyer then you are free to market your sale to bona fide third-party buyers. |

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| q. Franchisor's option to purchase the assets of franchisee's franchised business | 18.5 | After the termination or expiration of the Franchise Agreement, we have the right (but not the obligation) to purchase any assets of the Franchised Business for fair market value. If you and we cannot mutually agree on the fair market value, then the parties will first attempt to negotiate the fair market value, then to each obtain an appraisal of the assets and mediate the fair market value, and then to submit such appraisal to binding "Baseball" arbitration. |
| r. Transfer to a Controlled Entity | 15.5 | If Franchisee is an individual and wishes to transfer this Agreement or any interest herein to a corporation, limited liability company or other legal entity which shall be entirely owned by Franchisee ("Controlled Entity"), which Controlled Entity is being formed for the financial planning, tax or other convenience of Franchisee, Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the certain requirements which are set forth in Section 15.5 of the Franchise Agreement. |
| t. Death or disability of Franchisee | 15.9 | If you (or your last surviving principals/owners) dies, becomes permanently disabled or incapacitated, your estate shall transfer such interest to a third party approved by Franchisor within eighteen (18) months ((6) months in the event of disability) from the date of the appointment of an executor, administrator or personal representative, subject to our approval and the terms set forth in Section 15.4 of the Franchise Agreement. We have the right to step in and operate the Restaurant if we deem appropriate under the circumstances (and collect reasonable fees to cover the wages of our representatives, overhead and any other costs we incur). Franchisor may terminate the Franchise Agreement, if the estate's representative fails to provide an acceptable Franchisee upon said death, disability or incapacity. |
| u. Non-competition covenants during the term of the Franchise | 7.8(a)<br><br>Attachment 9 | During the term of the Franchise Agreement and any renewal or extension thereof, Franchisee, its owners (and members of their families and households) and its officers, directors and personal guarantor of the Franchise Agreement, are prohibited from: acquiring, operating, financing, investing in, controlling or owning any beneficial interest in, or performing services for any automobile-themed restaurant or bar; or any other competitive business (being any restaurant or bar business where 25% or more of the restaurant's or bar's food sales revenues (i.e. excluding liquor, other beverages as well as non-food items such as merchandise), come from the sale of burgers |

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| | | ("Competitive Business")) operating within 25 miles of your Franchised Restaurant or within 25 miles of any other Ford's Garage Restaurant (whether company-owned, franchised or otherwise established and operated); or soliciting or influencing any of Franchisor's customers to compete with Franchisor or terminate their relationship with us. (These individuals are required to sign our form of Non-Competition Agreement, see Attachment 9 to the Franchise Agreement.)<br><br>These same persons are also restricted, during the term of the Franchise Agreement, including any renewals, from diverting, or attempting to divert, any actual or potential business or Franchisee's or our customers to any competitor, or to otherwise do anything that may harm us, our goodwill, the Marks or the System.<br><br>We may also require you to have your Designated Managers(s) sign an agreement with you prohibiting his or her involvement in a Competing Business during the term of the Franchise Agreement.<br>Any such agreement must be in a form satisfactory to us and must identify us as a third-party beneficiary with the independent right to enforce the agreement. At our request, a copy of the signed agreement must be provided to us. |
| v. Noncompetition covenants after the Franchise is terminated or expires | 7.8(b), Attachment 9 | For 2 years after the termination or expiration of the Franchise Agreement, Franchisee, its owners (and members of their families and households) and Franchisee's officers, directors and any personal guarantor of the Franchise Agreement, are prohibited from: acquiring, operating, financing, investing in, controlling or owning any beneficial interest in, or performing services for any automobile-themed restaurant or bar; or any other Competitive Business (being any restaurant or bar business where 25% or more of the restaurant's or bar's food sales revenues (i.e. excluding liquor, other beverages as well as non-food items such as merchandise), come from the sale of burgers, operating within 25 miles of your Franchised Restaurant or within 25 miles of any other Ford's Garage Restaurant (whether company-owned, franchised or otherwise established and operated); or soliciting or influencing any of Franchisor's customers to compete with Franchisor or terminate their relationship with us. (These individuals are |

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| | | required to sign our form of Non-Competition Agreement, see Attachment 9 to the Franchise Agreement.)<br><br>These same persons are also restricted, during the two (2) year period, from diverting, or attempting to divert, any actual or potential business or Franchisee's or our customers to any competitor, or to otherwise do anything that may harm us, our goodwill, Marks or System.<br><br>We may also require you to have your Designated Managers sign an agreement with you prohibiting his or her involvement in a Competing Business for a period of time and within a geographic area after the Franchise Agreement has expired, has been transferred (assigned) or terminated. You shall be responsible for ensuring that the terms and conditions relating to the restrictive covenants on your Designated Manager are reasonable and enforceable under applicable state law. Any such agreement must be in a form satisfactory to us and must identify us as a third-party beneficiary with the independent right to enforce the agreement. At our request, a copy of the signed agreement must be provided to us. |
| w. Modification of the agreement | 23.9 | The Franchise Agreement can be modified only by written agreement between Franchisee and us. Franchisor may modify the Operations Manual without Franchisee′s consent if the modification does not materially alter Franchisee′s fundamental rights. |
| x. Integration/ merger clause | 23.1 | Only the terms of the Franchise Agreement are binding. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in this franchise disclosure document. |
| y. Dispute resolution by negotiation, mediation or arbitration | 22.1 | The Agreement provides that all disputes (except for certain claims relating to, for example, the Marks, confidential information, trade secrets and covenants not to compete) are to be resolved by negotiation, mediation and then, if necessary, arbitration each of which would take place in Tampa, Florida. The parties agree to waive their right to trial by jury and you also waive your right to initiate or the parties′ indemnification obligations or your non-payment of any amounts you owe to us, all claims must be brought within one (1) year: (i) from the date the underlying cause of action accrued; or (ii) if, |

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| | | however, the facts relating to the underlying cause of action were not readily discoverable then one (1) year from the date the complaining party knew or should have known such facts. All claims must be on an individual basis and may not be brought as part of a class or collective action, or with any other franchisee, or any franchisee association. The arbitrator shall award costs and expenses, including reasonable attorneys' fees, to the prevailing party. |
| z. Choice of forum | 22.3 | Subject to state law, any mediation and arbitration must be held in Tampa, FL, at a location designated by the parties or, alternatively, by the mediator or arbitrator. Subject to state law, any litigation must be pursued in courts located in Tampa, Florida. |
| aa. Choice of law | 22.2 | All matters relating to the arbitration will be governed by the Federal Arbitration Act. Otherwise, subject to state law, Florida Law applies with respect to any litigation; except that disputes over the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sec. 1051 et seq.) and disputes over copyrights will be governed by federal copyright laws of the United States |

**Multi-Unit Development Agreement**

| Provision | Section in Multi-Unit Development Agreement | Summary |
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| a. Length of franchise term | 7.1 | 10 years or until the date we accept and execute a Franchise Agreement for the last of the Franchised Businesses you are to establish under your Development Schedule. |
| b. Renewal or extension of the term | 7.2 | There is no renewal right. |
| c. Requirements for developer to renew or extend | Not applicable | |
| d. Assignment of contract by Franchisor | 12.1 | No restriction on our right to transfer or assign. However, no transfer/assignment will be made except to an assignee who, in our good faith judgment, is financially responsible and economically capable of performing our obligations under the Multi-Unit Development Agreement and willing and able to assume our obligations |
| e. "Transfer" by multi-unit franchisee defined | 12.2 | "Transfer" means to sell, divide, encumber, assign, hypothecate, mortgage, sublicense, transfer through bequest, inheritance, transfer in trust, divorce or operation of law or by any other |

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| | | means, or otherwise dispose of the rights granted under your MUDA, or any rights or privileges incidental to your MUDA, or any Restaurant or any interest in it, or your rights or interest in you. |
| f. Franchisor approval of transfer by multi- unit franchisee | 12.2 | Our written approval is required for a transfer to a third party. |
| g. Franchisor's Right of First Purchase to acquire franchisee's business | 12.3 | We have a right of first purchase for 30 days to acquire your business upon receipt of the price and terms upon which you are willing to sell your business. |
| h. Conditions for franchisor approval of transfer | 12.4 | We will only approve a transfer to a third party if at least 50% of all Restaurants required to be developed are open or under construction; the proposed transferee meets our then-current criteria for new Multi-Unit Franchisees; you are not in default of your MUDA or other agreement with us; you have paid all amounts due to us and your trade creditors; you sign a general release; you pay a transfer fee of $15,000; the transferee assumes all your rights and obligations under your MUD; and transferee personally guarantees all such obligations.<br><br>You may transfer your rights under the MUDA to a corporation, limited liability company or other entity if you own 50% of the equity rights. |
| i. Transfer of Agreement by Individual Developer to a Business Entity | 12.5 | If Developer is an individual, Developer may, simultaneously with or at any time after execution of this Agreement, after obtaining Franchisor's written consent and provided all of Developer's obligations to Franchisor have been satisfied, transfer and assign all of Developer's rights and obligations hereunder to a corporation, limited liability company or other entity, provided Developer is and throughout the term of this Agreement (and any renewal thereof): (i) remains a principal executive officer of the corporation, limited liability company or other entity; (ii) the beneficial and registered owner of greater than fifty (50%) percent of the issued and outstanding voting and equity rights and interests in such corporation, limited liability company or other entity (and any rights or options convertible into such voting or equity rights or interests); and<br>(iii) maintains the controlling and decision-making right and power with respect to the entity, and further provided that Developer satisfy certain other requirements as set forth in Section 12.5 of |

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| | | the MUDA. |
| k. Death or disability of multi-unit franchisee | 12.7 | On your death or incapacity (or on the death or incapacity of the last surviving principal Owner if you are an entity), your heirs or personal representative can:<br><br>1) continue operating the Business if it provides an acceptable Designated Manager. This Designated Manager must assume full time operation of the franchise within ninety (90) days from the date a representative is appointed to the decedent or incapacitated Owner's estate; or<br><br>2) transfer your rights to a third party acceptable to us within nine (9) months from the date a representative is appointed to the decedent or incapacitated Owner's estate. |
| l. Termination by developer | 13.1 | MUDA may be terminated by the mutual consent of the parties. |
| m. Termination by franchisor with no opportunity to cure | 13.2 | We can terminate, without giving you any opportunity to cure, if you: (i) fail to meet the Development Schedule; (ii) default in the performance of any obligation under any Franchise Agreement with Franchisor, provided such default results in the termination of the Franchise Agreement; (iii) make, or have made, any material misrepresentation or omission to Franchisor in connection with your obtaining this Multi-Unit Development Agreement, any site approval hereunder, or any Franchise Agreement; (iv) are convicted of or plead no contest to a felony or other crime or offense that is likely to adversely affect the reputation of Franchisor, Ford, your reputation or the reputation of the Franchised Business; (v) disclose, duplicate or otherwise use in an unauthorized manner any portion of the Operations Manual, Trade Secrets or any other Confidential Information; (vi) surrender or transfer control of the operation of the Franchised Business without Franchisor's approval; make or attempt to make an unauthorized direct or indirect assignment of the Franchise or an ownership interest in the developer entity; or fail or refuse to assign the Franchise or the interest in the developer entity of a deceased or disabled owner thereof as required in the Multi-Unit Development Agreement; (vii) are adjudicated as bankrupt, become insolvent, commit any affirmative act of insolvency, or file any action or petition of |

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| | | insolvency; if a receiver of your property or any part thereof is appointed by a court; if you make a general assignment for the benefit of your creditors; if a final judgment remains unsatisfied of record for thirty (30) days or longer (unless supersedeas bond is filed); if execution is levied against your business or property; if a suit to foreclose any lien or mortgage against your Accepted Location or equipment is instituted against your Accepted Location or equipment is instituted against you and not dismissed within thirty (30) days or is not in the process of being dismissed; (viii) make an unauthorized use of any of the Marks or commit any other act which can reasonably be expected to impair the goodwill associated with any of the Marks; (ix) cease to operate all of the Restaurants opened pursuant to the terms of the Multi-Unit Development Agreement: (x) engage in any activity exclusively reserved to Franchisor; (xi) you (or your owners) engage in any dishonest or unethical conduct which, in Franchisor's opinion, adversely affects the reputation of the System, other Ford's Garage multi-unit developers or franchisees or the goodwill associated with the Marks;<br>(xii) you (and your owners) violate the in-term non- compete covenants under Article XI; (xiii) your assets, property or interests are "blocked" under any law, ordinance or regulation relating to terrorist activities or if you are otherwise in violation of any such law, ordinance or regulation, or any other law, ordinance or regulation applicable to the development of your Restaurants; (xiv) you fail to comply with any other provision of the Multi-Unit Development Agreement and do not correct the failure within thirty (30) days after Franchisor delivers to you written notice of the failure. |
| n. Termination by franchisor with opportunity to cure | 13.3 | We can terminate by giving you notice of termination, stating the nature of the default and giving you opportunity to cure within specified cure periods, if you: fail to pay any amounts due to us within 5 days of receiving our notice of default; begin developing a Restaurant before all of your pre-development obligations are met; fail to obtain our consent or approval when required; default in the performance of any other obligation under the Multi-Unit Development Agreement; and open any Restaurant before a Franchise |

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| | | Agreement for that Restaurant has been signed and the initial franchise fee has been paid to us. |
| o. Termination by franchisor for failure to meet the Development Schedule | 13.4 | If you fail to meet the obligations of your Development Schedule, such action is a default under the Multi-Unit Development Agreement, upon which Franchisor, in its sole discretion, may by written notice: terminate the Multi-Unit Development Agreement with no opportunity to cure; reduce the number of Franchised Businesses to be developed; reduce the size of the Development Area; or terminate the Development Area exclusivity and make such rights non-exclusive. |
| p. Termination Based Upon Cross Default of Another Agreement | 13.5 | You will have no further right to develop or operate a Restaurant for which a Franchise Agreement has not been executed at the time of termination or expiration. You are to pay to us all amounts due and outstanding. You must return all Confidential Information and continue to abide by the restrictions on the use of our Confidential Information. If the Multi-Unit Development Agreement is terminated as a result of your default, you are required to pay us all expenses (including attorneys' and experts' fees) we incur as a result of such default. You must immediately sign all agreements (including a general release) necessary for termination. You are to strictly comply with the post- termination/post-expiration covenants not to compete.<br><br>Termination of the Multi-Unit Development Agreement for your failure to comply with the Development Schedule will not terminate any of the Franchise Agreements you already signed with us, so long as you have opened the Restaurants covered by the signed Franchise Agreements and you are not in default of said Franchise Agreements. |
| r. Non- competition covenants during the term of the MUDA | 11.1 | During the term of the MUDA (and any renewal or extension thereof), neither you nor your Owners (if you are an entity) (and members of your respective families and households) and your officers, directors, or personal guarantor of the MUDA, can, directly or indirectly, acquire, operate, finance, invest in, control or own any beneficial interest in, or perform services for any automobile- themed restaurant; or any other competitive business (being any restaurant business where 25% or more of the restaurant's |

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| | | food sales revenues (i.e. excluding liquor, other beverages as well as non-food items such as merchandise), come from the sale of burgers) within the Development Area or within 10 miles from all borders of your Development Area; or within 25 miles of any other Ford's Garage Restaurant (whether company-owned, franchised or otherwise established and operated); or soliciting or influencing any of Franchisor's customers to compete with Franchisor or terminate their relationship with us.<br><br>These same persons are also restricted, during the term of the MUDA, including any renewal or extension thereof, from diverting, or attempting to divert, any actual or potential business or Franchisee's or our customers to any competitor, or to otherwise do anything that may harm us, our goodwill, Marks or System.<br><br>We may require you to have your Director of Operations sign an agreement with you (the Developer) prohibiting him or her from having any involvement (as referenced above) in a Competing Business during the term of the MUDA (and any renewal or extension thereof). Any such agreement must be in a form satisfactory to us and must identify us as a third-party beneficiary with the independent right to enforce the agreement. At our request, a copy of the signed agreement must be provided to us. |
| s. Non- competition covenants after the franchise is terminated or expires | 11.2 | For 2 years after the later of: (i) the assignment, termination or expiration of the MUDA; or (ii) the date that the last Franchise Agreement which has been entered into, pursuant to the rights granted under the Multi-Unit Development Agreement, has expired or has been transferred (assigned) or terminated, you, your owners (and members of your respective families and households) and your officers, directors, or any personal guarantor under the MUDA are prohibited from: acquiring, operating, financing, investing in, controlling or owning any beneficial interest in, or performing services for any automobile-themed restaurant; or any other competitive business (being any restaurant business where 25% or more of the restaurant's food sales revenues (i.e. excluding |

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| | | liquor, other beverages as well as non-food items such as merchandise), come from the sale of burgers ("Competitive Business")) operating within 25 miles of your Franchised Restaurant or within 25 miles of any other Ford's Garage Restaurant.<br><br>These same persons are also restricted, during the term of the MUDA, including any renewals, from diverting, or attempting to divert, any actual or potential business or Franchisee's or our customers to any competitor, or to otherwise do anything that may harm us, our goodwill, Marks or System.<br><br>We may also require you to have your Director of Operations sign an agreement with you (the Developer) prohibiting him or her from having any Involvement in a Competing Business for a period of time and within a geographic area after the last Franchise Agreement which has been entered into, pursuant to the rights granted under the MUDA, has expired or has been transferred (assigned) or terminated. You shall be responsible for ensuring that the terms and conditions relating to the restrictive covenants on your Director of Operations are reasonable and enforceable under applicable state law. Any such agreement must be in a form satisfactory to us and must identify us as a third-party beneficiary with the independent right to enforce the agreement. At our request, a copy of the signed agreement must be provided to us. |
| t. Modification of the Agreement | 16.8 | Modifications must be signed by all parties. We may change the Operations Manual as we, in our sole discretion deem appropriate. |
| u. Integration / merger clause | 16.1 | The MUDA shall constitute the entire agreement between the parties and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either party except to the extent incorporated in this Agreement. However, nothing in the MUDA or any related agreement is intended to disclaim any representations we made in the Franchise Disclosure Document we furnished to you. |
| v. Dispute resolution by negotiation, mediation or arbitration | 15.1 | The agreement provides that all disputes (except for certain claims relating to, for example, the Marks, confidential information, trade secrets and covenants not to compete) are to be resolved by |

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| | | negotiation, mediation and then, if necessary, arbitration each of which would take place in Tampa, Florida. The parties agree to waive their right to trial by jury and you also waive your right to initiate or participate in a class action. Except for disputes concerning the parties' indemnification obligations or your non-payment of any amounts you owe to us, all claims must be brought within one (1) year: (i), from the date the underlying cause of action accrued; or (ii) if, however, the facts relating to the underlying cause of action were not readily discoverable then one (1) year from the date the complaining party knew or should have known such facts. The restrictions with respect to any claims against us shall also apply to our affiliates, principals, officers, directors, shareholders, employees, contractors or agents. The arbitrator shall award costs and expenses, including reasonable attorneys' fees, to the successful party. |
| w. Choice of forum | 15.3 | Mediation and arbitration must be held in Tampa, FL at a location designated by the parties or, alternatively, by the mediator or arbitrator. Subject to state law, any litigation must be pursued in courts located in Tampa, FL. |
| x. Choice of law | 15.2 | All matters relating to the arbitration will be governed<br>by the Federal Arbitration Act. Otherwise, Florida law applies with respect to any litigation. |

## Item 18: Public Figures.

We do not presently use any public figures to promote our franchise. However, we reserve the right to use any public figure we choose in the future without your permission.

## Item 19: Financial Performance Representation.

### 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 the Disclosure Document may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

The financial performance information provided in this Item 19 must be read in conjunction with the notes set forth immediately following the table below, the disclosures set forth in this Disclosure Document, and the terms and conditions of the Franchise Agreement. You are strongly encouraged to do your independent, comprehensive due diligence and to work with an accountant, franchise attorney and professional advisor to assist and advise you in connection with your potential investment in a Franchised Business and to assist you with the preparation of any financial projections, which we will not review or comment on.

## HISTORIC FINANCIAL PERFORMANCE REPRESENTATION

As of December 31, 2025, there were thirty-two (32) Ford's Garage® franchised restaurants in operation (the "Franchised Restaurants") and one Ford's Garage® affiliate-owned restaurant in operation (the "Company Owned Restaurant") for a total of thirty-three (33) Ford's Garage® restaurants in operation. Twenty-nine (29) of the Franchised Restaurants and the Company Owned Restaurant were open for the entire 2025 Calendar Year (the "2025 Restaurants"). Tables 1-A, 1-B and 1-C of this Item 19 reflect historical performance information for the 2025 Restaurants and exclude the four (4) Franchised Restaurants that first opened for business in the 2025 Calendar Year.

Twenty-four (24) of the Franchised Restaurants and the Company Owned Restaurant were open and in operation for the entirety of the 2024 Calendar Year (the "2024 Restaurants"). Tables 2-A, 2-B and 2-C reflect historical performance information for the 2024 Restaurants and exclude the one location that ceased operations.

Nineteen (19) of the Franchised Restaurants and the Company Owned Restaurant were also open for the entirety of the 2023 Calendar Year (the "2023 Restaurants"). Tables 3-A, 3-B and 3-C reflect historical performance information for the 2023 Restaurants.

The information presented in the below tables reflect certain historical financial performance information for the Franchised Restaurants and the Company-Owned Restaurant, all of which offer substantially the same products and services to customers that System franchisees are required to offer. The historical financial information presented in this Item 19 was reported to us by the Franchised Restaurants and the Company-Owned Restaurant. We have not independently audited or otherwise verified this information.

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

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

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**Table 1-A: AVERAGE GROSS REVENUE FOR THE 2025 CALENDAR YEAR**

| 2025 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Category | Count | Average Gross Revenue | # Above Average for Category | % Above Average for Category | Median Gross Revenue | Highest Gross Revenue | Lowest Gross Revenue |
| High | 10 | $7,326,066 | 4 | 40.0% | $7,155,736 | $8,660,267 | $6,562,742 |
| Mid | 12 | $5,681,218 | 5 | 41.7% | $5,595,694 | $6,356,969 | $5,110,546 |
| Low | 8 | $4,230,085 | 4 | 50.0% | $4,157,735 | $4,896,910 | $3,471,407 |
| Total | 30 | $5,842,532 | 13 | 43.3% | $5,681,697 | $8,660,267 | $3,471,407 |

**Table 1-B: AVERAGE OPERATING EBITDA FROM OPERATIONS DURING THE 2025 CALENDAR YEAR**

| 2025 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Category | Count | Average EBITDA from Operations | # Above Average for Category | % Above Average for Category | Median EBITDA from Operations | Highest EBITDA from Operations | Lowest EBITDA from Operations |
| High | 10 | $1,198,610 | 4 | 40.0% | $1,175,769 | $1,611,483 | $914,512 |
| Mid | 12 | $674,250 | 7 | 58.3% | $685,303 | $861,631 | $489,419 |
| Low | 8 | $163,538 | 4 | 50.0% | $201,373 | $441,552 | -$184,892 |

**Table 1-C: BREAKDOWN OF AVERAGE OPERATING EBITDA FOR THE 2025 CALENDAR YEAR**

| 2025 | | | | | | |
|---|---|---|---|---|---|---|
| | High | | Mid | | Low | |
| | $ | % | $ | % | $ | % |
| **Gross Revenue** | **$7,326,066** | | **$5,681,218** | | **$4,230,085** | |
| **Cost of Goods Sold** | | | | | | |
| Food & Bev Cost | $1,750,694 | 23.9% | $1,375,897 | 24.2% | $1,021,867 | 24.2% |
| LBW Cost | $272,774 | 3.7% | $213,755 | 3.8% | $160,585 | 3.8% |
| Retail Cost | $31,886 | 0.4% | $20,234 | 0.4% | $11,129 | 0.3% |
| **Cost of Goods Sold** | $2,055,354 | 28.1% | $1,609,886 | 28.3% | $1,193,581 | 28.2% |
| **Labor Cost** | $2,145,814 | 29.3% | $1,761,024 | 31.0% | $1,386,959 | 32.8% |
| **Gross Profit** | **$3,124,898** | **42.7%** | **$2,310,307** | **40.7%** | **$1,649,546** | **39.0%** |
| **Operating Expense** | | | | | | |
| Operating Supplies | $310,230 | 4.2% | $260,355 | 4.6% | $207,361 | 4.9% |
| Repairs and Maintenance | $165,897 | 2.3% | $141,150 | 2.5% | $157,126 | 3.7% |
| Utilities | $156,029 | 2.1% | $151,892 | 2.7% | $144,525 | 3.4% |
| Other Direct Operating Expenses | $307,260 | 4.2% | $258,919 | 4.6% | $257,549 | 6.1% |
| Office/Admin | $17,276 | 0.2% | $14,668 | 0.3% | $10,415 | 0.2% |
| Marketing | $113,573 | 1.6% | $87,669 | 1.5% | $79,604 | 1.9% |
| **Total Operating Expense** | $1,070,265 | 14.6% | $914,653 | 16.1% | $856,580 | 20.2% |
| **Controllable Profit** | **$2,054,632** | **28.0%** | **$1,395,655** | **24.6%** | **$792,966** | **18.7%** |
| **Non Controllable Expense** | | | | | | |
| General and Administrative | $100,265 | 1.4% | $76,069 | 1.3% | $62,578 | 1.5% |
| Rent / Occupancy Expense | $401,392 | 5.5% | $376,519 | 6.6% | $390,945 | 9.2% |
| Equipment Rental | $19,916 | 0.3% | $16,333 | 0.3% | $11,612 | 0.3% |
| Royalty Expense | $334,449 | 4.6% | $252,483 | 4.4% | $164,294 | 3.9% |
| **Total Non Controllable Expense** | $856,022 | 11.7% | $721,405 | 12.7% | $629,428 | 14.9% |
| **Operating EBITDA** | **$1,198,610** | **16.4%** | **$674,250** | **11.9%** | **$163,538** | **3.9%** |

**Notes to Tables 1-A, 1-B and 1-C**

1. During the 2025 Calendar Year, the Company Owned Restaurant, which falls in the "Mid" tier, reported: (a) annual Operating EBITDA of $788,288, and (b) annual Gross Revenue of $5,666,911.

2. In addition to providing the Average Operating EBITDA and Gross Revenue for all of the 2025 Restaurants, Tables 1-A, 1-B and 1-C separate the 2025 Restaurants into three categories – High, Mid and Low- based on the Gross Revenue reported.

3. The average Operating EBITDA and average Gross Revenues were calculated by adding the Operating EBITDA and Gross Revenues for all of the 2025 Restaurants in each category and dividing that number by the total number of 2025 Restaurants within each category. The average Operating EBITDA and Gross Revenue figures in each category were then compared to the average Operating EBITDA and average Gross Revenues in each category and expressed as a percentage.

**Table 2-A: AVERAGE GROSS REVENUE FOR THE 2024 CALENDAR YEAR**

| 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Category | Count | Average Gross Revenue | # Above Average for | % Above Average for | Median Gross Revenue | Highest Gross Revenue | Lowest Gross Revenue |
| High | 9 | $7,218,792 | 4 | 44.4% | $6,887,962 | $8,674,810 | $6,270,408 |
| Mid | 8 | $5,397,991 | 4 | 50.0% | $5,380,104 | $5,881,061 | $5,028,658 |
| Low | 7 | $4,196,844 | 3 | 42.9% | $4,017,980 | $4,995,764 | $3,474,315 |
| Total | 24 | $5,730,457 | 10 | 41.7% | $5,533,454 | $8,674,810 | $3,474,315 |

**Table 2-B: AVERAGE OPERATING EBITDA FROM OPERATIONS FOR THE 2024 CALENDAR YEAR**

| 2024 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Category | Count | Average EBITDA from Operations | # Above Average for | % Above Average for | Median EBITDA from Operations | Highest EBITDA from Operations | Lowest EBITDA from Operations |
| High | 9 | $1,200,191 | 6 | 66.7% | $1,210,258 | $1,511,090 | $725,777 |
| Mid | 8 | $662,743 | 4 | 50.0% | $648,423 | $940,476 | $425,801 |
| Low | 7 | $186,437 | 3 | 42.9% | $185,208 | $799,209 | -$392,161 |

**Table 2-C: BREAKDOWN OF OPERATING EBITDA FOR THE 2024 CALENDAR YEAR**

| 2024 | | | | | | |
|---|---|---|---|---|---|---|
| | High | | Mid | | Low | |
| | $ | % | $ | % | $ | % |
| **Gross Revenue** | **$7,218,692** | | **$ 5,397,991** | | **$ 4,196,844** | |
| **Cost of Goods Sold** | | | | | | |
| Food & Bev Cost | $1,745,274 | 24.2% | $ 1,283,544 | 23.8% | $ 987,057 | 23.5% |
| LBW Cost | $286,698 | 4.0% | $ 209,260 | 3.9% | $ 176,634 | 4.2% |
| Retail Cost | $28,062 | 0.4% | $ 19,665 | 0.4% | $ 11,654 | 0.3% |
| **Cost of Goods Sold** | $2,060,034 | 28.5% | $ 1,517,165 | 28.1% | $ 1,175,345 | 28.0% |
| **Labor Cost** | $2,109,425 | 29.2% | $ 1,636,996 | 30.3% | $ 1,346,027 | 32.1% |
| **Gross Profit** | **$3,049,233** | **42.2%** | **$2,243,830** | **41.6%** | **$1,675,472** | **39.9%** |
| **Operating Expense** | | | | | | |
| Operating Supplies | $314,742 | 4.4% | $ 243,521 | 4.5% | $ 208,082 | 5.0% |
| Repairs and Maintenance | $152,133 | 2.1% | $ 153,085 | 2.8% | $ 154,597 | 3.7% |
| Utilities | $155,552 | 2.2% | $ 155,080 | 2.9% | $ 128,269 | 3.1% |
| Other Direct Operating Expenses | $264,096 | 3.7% | $ 224,856 | 4.2% | $ 230,939 | 5.5% |
| Office/Admin | $22,692 | 0.3% | $ 14,146 | 0.3% | $ 11,142 | 0.3% |
| Marketing | $111,788 | 1.5% | $ 95,067 | 1.8% | $ 84,946 | 2.0% |
| **Total Operating Expense** | $1,021,002 | 14.1% | $ 885,755 | 16.4% | $ 817,976 | 19.5% |
| **Controllable Profit** | **$2,028,231** | **28.1%** | **$1,358,075** | **25.2%** | **$857,496** | **20.4%** |
| **Non Controllable Expense** | | | | | | |
| General and Administrative | $108,666 | 1.5% | $ 104,591 | 1.9% | $ 88,734 | 2.1% |
| Rent / Occupancy Expense | $367,646 | 5.1% | $ 335,590 | 6.2% | $ 375,726 | 9.0% |
| Equipment Rental | $22,793 | 0.3% | $ 21,512 | 0.4% | $ 18,263 | 0.4% |
| Royalty Expense | $328,936 | 4.6% | $ 233,639 | 4.3% | $ 188,335 | 4.5% |
| **Total Non Controllable Expense** | $828,040 | 11.5% | $ 695,332 | 12.9% | $ 671,059 | 16.0% |
| **Operating EBITDA** | **$1,200,191** | **16.6%** | **$662,743** | **12.3%** | **$ 186,437** | **4.4%** |

**Notes to Tables 2-A, 2-B and 2-C**

1. During the 2024 Calendar Year, the Company Owned Restaurant which falls in the "Mid" tier, reported: (a) annual Operating EBITDA of $507,714, and (b) annual Gross Revenue of $5,297,857.

2. In addition to providing the Average Operating EBITDA and Gross Revenue for all of the 2024 Restaurants, Tables 2-A, 2-B and 2-C separate the 2024 Restaurants into three categories – High, Mid and Low- based on the Gross Revenue reported.

3. The average Operating EBITDA and average Gross Revenues were calculated by adding the Operating EBITDA and Gross Revenues for all of the 2024 Restaurants in each category and dividing that number by the total number of 2024 Restaurants within each category. The average Operating EBITDA and Gross Revenue figures in each category were then compared to the average Operating EBITDA and average Gross Revenues in each category and expressed as a percentage.

**Table 3-A: AVERAGE GROSS REVENUE FOR THE 2023 CALENDAR YEAR**

| 2023 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Category | Count | Average Gross Revenue | Average for Category | Average for Category | Median Gross Revenue | Highest Gross Revenue | Lowest Gross Revenue |
| High | 7 | $7,750,855 | 4 | 57.1% | $7,959,866 | $8,693,099 | $6,713,828 |
| Mid | 5 | $6,112,043 | 1 | 20.0% | $6,026,040 | $6,664,143 | $5,820,093 |
| Low | 7 | $4,863,188 | 4 | 57.1% | $5,351,792 | $5,505,524 | $3,652,542 |
| Total | 19 | $6,250,092 | 8 | 42.1% | $6,026,040 | $8,693,099 | $3,652,542 |

**Table 3-B: AVERAGE OPERATING EBITDA FROM OPERATIONS FOR THE 2023 CALENDAR YEAR**

| 2023 | | | | | | | |
|---|---|---|---|---|---|---|---|
| Category | Count | Average EBITDA from Operations | Average for Category | Average for Category | Median EBITDA from Operations | Highest EBITDA from Operations | Lowest EBITDA from Operations |
| High | 7 | $1,389,504 | 4 | 57.1% | $1,466,266 | $1,697,198 | $723,804 |
| Mid | 5 | $882,974 | 2 | 40.0% | $828,127 | $1,159,054 | $715,391 |
| Low | 7 | $161,239 | 3 | 42.9% | $282,172 | $895,700 | -$64,016 |

**Table 3-C: BREAKDOWN OF OPERATING EBITDA FOR THE 2022 CALENDAR YEAR**

| 2023 | | | | | | |
|---|---|---|---|---|---|---|
| | High | | Mid | | Low | |
| | $ | % | $ | % | $ | % |
| **Gross Revenue** | **$7,750,855** | | **$6,112,043** | | **$4,863,188** | |
| **Cost of Goods Sold** | $2,147,998 | 27.7% | $1,712,619 | 28.0% | $1,368,661 | 28.1% |
| **Labor Cost** | $2,247,871 | 29.0% | $1,846,768 | 30.2% | $1,629,177 | 33.5% |
| **Gross Profit** | **$3,354,985** | **43.3%** | **$2,552,656** | **41.8%** | **$1,865,350** | **38.4%** |
| **Operating Expense** | | | | | | |
| Operating Supplies | $348,166 | 4.5% | $288,937 | 4.7% | $264,836 | 5.4% |
| Repairs and Maintenance | $165,014 | 2.1% | $162,261 | 2.7% | $158,518 | 3.3% |
| Utilities | $165,136 | 2.1% | $154,669 | 2.5% | $158,096 | 3.3% |
| Other Direct Operating Expenses | $280,578 | 3.6% | $239,587 | 3.9% | $257,973 | 5.3% |
| Office/Admin | $21,022 | 0.3% | $24,381 | 0.4% | $8,594 | 0.2% |
| Marketing | $129,324 | 1.7% | $89,185 | 1.5% | $89,792 | 1.8% |
| **Total Operating Expense** | $1,109,240 | 14.3% | $959,020 | 15.7% | $937,808 | 19.3% |
| **Controllable Profit** | **$2,245,745** | **29.0%** | **$1,593,636** | **26.1%** | **$927,542** | **19.1%** |
| **Non Controllable Expense** | | | | | | |
| General and Administrative | $63,828 | 0.8% | $101,206 | 1.7% | $73,615 | 1.5% |
| Rent / Occupancy Expense | $432,810 | 5.6% | $333,771 | 5.5% | $302,123 | 6.2% |
| Equipment Rental | $24,693 | 0.3% | $18,576 | 0.3% | $21,126 | 0.4% |
| Royalty Expense | $334,910 | 4.3% | $257,109 | 4.2% | $208,812 | 4.3% |
| **Total Non Controllable Expense** | $856,241 | 11.0% | $710,662 | 11.6% | $605,676 | 12.5% |
| **Operating EBITDA** | **$1,389,504** | **17.9%** | **$882,974** | **14.4%** | **$321,866** | **6.6%** |

**Notes to Tables 3-A, 3-B and 3-C**

1. During the 2023 Calendar Year, the Company Owned Restaurant which falls in the "Mid" tier, reported: (a) annual Operating EBITDA of $715,391, and (b) annual Gross Revenue of $5,806,017.

2. In addition to providing the Average Operating EBITDA and Gross Revenue for all of the 2023 Restaurants, Tables 3-A, 3-B and 3-C separate the 2023 Restaurants into three categories – High, Mid and Low- based on the Gross Revenue reported.

3. The average Operating EBITDA and average Gross Revenues were calculated by adding the Operating EBITDA and Gross Revenues for all of the 2023 Restaurants in each category and dividing that number by the total number of 2023 Restaurants within each category. The average Operating EBITDA and Gross Revenue figures in each category were then compared to the average Operating EBITDA and average Gross Revenues in each category and expressed as a percentage.

**General Notes to Item 19:**

1. General Notes. The Franchised Restaurants are located in Florida, Indiana, Michigan,

New York, Ohio, Texas, Kentucky, and Virginia and consist of: (a) three Restaurants that first opened in 2025; (b) six Restaurants that first opened in 2024; (c) five Restaurants that first opened in 2023; (d) five Restaurants that first opened in 2022; (e) one Restaurant that first opened in 2021; (f) one Restaurant that first opened in 2020; (g) two Restaurants that first opened in 2019; (h) three Restaurants that first opened in 2018; (i) three Restaurants that first opened in 2017; (j) one Restaurant that first opened in 2015; (k) two Restaurants that first opened in 2013, and (l) one Restaurant that first opened in 2012. Our affiliate re-acquired one of the Franchised Restaurants located in Plano, Texas in the 2023 Calendar Year. All of the Franchised Restaurants and the Company-Owned Restaurant are primarily stand-alone sites consisting of 6,000 to 9,000 square feet. Twenty-seven (27) of the Franchised Restaurants are owned directly or indirectly by one or more of the individuals disclosed in Item 2 of this Disclosure Document, and, as disclosed above, one is considered an "affiliate" or "Company-Owned" location.

2. Data Collection. The Franchised Restaurants and Company-Owned Restaurant report (i) revenues to us through our point-of-sale system and reporting software; and (ii) expenses to us through the submission of profit and loss reports. We prepared this Item 19 historical financial performance representation based on the information we accessed through this point-of-sale system and software and the profit and loss reports submitted to us by the Franchised Restaurants and Company-Owned Restaurant. We have not independently verified any of the information provided to us and we cannot verify that the information we receive from the Franchised Restaurants and/or the Company-Owned Restaurant is prepared or reported uniformly.

3. Defined Terms.

a. "Gross Revenues" means the total average gross revenues reported to us by the Franchised Restaurants and the Company-Owned Restaurant through our point-of-sale systems and reporting software, including all food sales, beverage sales, liquor sales, and merchandise sales. Refunds provided to customers, employee discounts and sales taxes are excluded from Gross Revenues. The information has not been audited or independently verified.

b. "Operating EBITDA" means Gross Revenues less the reported costs of goods sold, labor costs (excluding officer salaries or benefits), operating supplies, repairs and maintenance, utilities, other direct operating expenses (such as third party delivery fees), office and administrative expenses, marketing, general and administrative expenses, rent and occupancy expenses, equipment rental expenses, and royalty expenses (at a lower % rate, as disclosed in Tables 1-C, 2-C and 3-C). Operating EBITDA excludes officer's salaries, benefits and travel, interest, taxes, depreciation and amortization. Certain of the Franchised Restaurants paid management fees to their respective affiliate management companies for the provision of management services ranging from 1% of Gross Revenues to 3% of Gross Revenues. Labor costs will vary from location to location and will depend on a number of factors, including, without limitation, applicable minimum wage regulations and market conditions.

4. Ongoing Fees under the Franchise Agreement. The 2025, 2024 and 2023 Restaurants paid royalty fees to us, but at lower or different rates than as required under the Franchise Agreement offered under this Disclosure Document (typically ranging from 2% to 5% of Gross Sales for royalty fees and from 2% to 13% for merchandise licensing fees). Additionally, the 2024 and 2023 Restaurants were required to pay: (i) .25% of Gross Sales to us, which amount was reimbursed to each Restaurant upon proof of expenditure for local advertising in an amount equal to or greater than .25% of Gross Sales; (ii) Marketing Fund Contributions to us in the amount of 1.25% of Gross Sales during the 2023 calendar year, 1.0% of Gross Sales during the 2024 calendar year, (iii) the following pass-through

charges: $290 per month for the Learning Management System, music licensing fee of $35 per month, the VIN fee at $35 per month, and (iv) the 2024 Restaurants paid for the NCR On-line Ordering Platform in the amount of $57.18 per month and the Paytronix Gift Card platform in the amount of $120 per month. The 2025 Restaurants were required to pay (i) Marketing Fund Contributions to us in the amount of 1.0% of Gross Sales (ii) the following pass-through charges: $325 per month for the Learning Management System, music licensing fee of $35 per month, the VIN fee at $15 per month, the NCR On-line Ordering Platform in the amount of $57.18 per month and the Paytronix Gift Card platform in the amount of $135 per month. The 2025, 2024 and 2023 Restaurants were not required to pay the website fee, internal systems fee, social media fee, the gift card fee, or the loyalty fee. You will be required to pay the royalty fee at the rates disclosed in Item 6, as well as the other ongoing fees disclosed in Item 6 of this Disclosure Document to us during the term of your Franchise Agreement. Those fees include:

| **Ongoing Fees*** | **Amount** |
|---|---|
| Royalty Fee | 5.5% of Gross Sales (excluding Restaurant retail sales of merchandise) |
| Local Advertising Expenditure | Currently .5% of Gross Sales (This amount is not paid to us, but rather must be expended by you directly for local advertising in accordance with the terms of your Franchise Agreement) |
| Marketing Fund Contribution | Currently 1% of Gross Sales |
| Website Fee | (not to exceed $2,000 per year (subject to increase as disclosed in Item 6; not currently charged)) |
| Internal Systems Fee | (not to exceed $600 per month (subject to increase as disclosed in Item 6; not currently charged)) |
| Social Media Fee | not to exceed $2,000 per year (subject to increases as disclosed in Item 6) (not currently charged) |
| Gift Card | $250 to $1,000 per year |
| Pass-Through Vendor Fees | $35 per month for music licensing; $15 per month for intranet; $350 for the learning management system; $135 per month for gift card platform; $281 per quarter for inspection service fees |

5. Restaurant performance will be directly affected by many factors, which may include, without limitation: (a) geographic location; (b) competition from other similar businesses in the vicinity of the Restaurant; (c) advertising effectiveness; (d) labor costs; (e) insurance costs; (f) customer loyalty; (g) inflation; (h) force majeure events; and (i) regulations.

6. Operating costs and expenses vary substantially from business to business. Interest expenses, interest income, depreciation, amortization and other income or expenses will vary substantially from business to business. You should consult with your tax advisor to prepare your own financial projections, as well as estimates of federal, state and local income and other applicable taxes before investing in this franchise opportunity.

7. The historical financial performance representation disclosed in in this item was prepared using the data we received through our computer system and software, and through profit and loss statements provided to us by the Restaurants. The financial information presented in this Item has not been compiled, reviewed or audited by the Franchisor's auditors. Accordingly, the auditors do not express an opinion or any other form of assurance with respect thereto and assume no responsibility

for the financial information included in this Item 19.

8. You are strongly encouraged to conduct your own due diligence and to make your own investigation and evaluation regarding this franchise opportunity. Take the time to contact our franchisees directly to discuss their experience in opening and operating a Restaurant. Their contact information is disclosed in Exhibit F to this Disclosure Document. Before you sign any agreement with us, you are also strongly encouraged to consult with experienced financial, business and legal advisors to assist you with your due diligence and assessment as to whether or not this franchise opportunity is a right fit for you.

**Some Ford's Garage® Restaurants have earned these amounts. Your individual results may differ. There is no assurance that you will earn as much. If you rely upon our figures, you must accept the risk of not doing as well.**

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. 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, David Ragosa, 501 N Reo Street, Suite 102, Tampa, Florida 33609, 813-761-3752, the Federal Trade Commission, and the appropriate state regulatory agencies.

## Item 20: Outlets and Franchise Information.

**Table No. 1**
**System wide Outlet Summary**
**For Years 2023, 2024 and 2025**

| Outlet Type | Year | Outlets at the Start of the Year | Outlets at the End of the Year | Net Change |
|---|---|---|---|---|
| Franchised | 2023 | 20 | 24 | +4 |
| | 2024 | 24 | 30 | +6 |
| | 2025 | 30 | 33 | +3 |
| Company – Owned | 2023 | 0 | 1 | +1 |
| | 2024 | 1 | 1 | 0 |
| | 2025 | 1 | 1 | 0 |
| Total Outlets* | 2023 | 20 | 25 | +5 |
| | 2024 | 25 | 31 | +6 |
| | 2025 | 31 | 34 | +3 |

**Table No. 2**
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**
**For Years 2023, 2024 and 2025**

| Outlet Type | Year | Number of Transfers |
|---|---|---|
| Florida | 2023 | 0 |
| | 2024 | 0 |
| | 2025 | 0 |
| Indiana | 2023 | 0 |
| | 2024 | 0 |
| | 2025 | 0 |
| Michigan | 2023 | 0 |
| | 2024 | 0 |
| | 2025 | 0 |
| Ohio | 2023 | 0 |
| | 2024 | 0 |
| | 2025 | 0 |
| Kentucky | 2023 | 0 |
| | 2024 | 0 |
| | 2025 | 0 |
| Texas | 2023 | 1 |
| | 2024 | 0 |
| | 2025 | 0 |
| Total | 2023 | 1 |
| | 2024 | 0 |
| | 2025 | 0 |

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

| State | Year | Outlets at the Start of the Year | Outlets Opened | Terminations | Non-Renewals | Reacquired by Franchisor | Ceased Operations-Other Reasons | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|---|
| FL | 2023 | 16 | 3 | 0 | 0 | 0 | 1 | 18 |
| | 2024 | 18 | 3 | 0 | 0 | 0 | 0 | 21 |
| | 2025 | 21 | 0 | 0 | 0 | 0 | 0 | 21 |
| IN | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| MI | 2023 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| | 2024 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2025 | 2 | 1 | 0 | 0 | 0 | 0 | 3 |
| NY | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| OH | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| | 2025 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| TX | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| KY | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| VA | 2023 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2024 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Total | 2023 | 20 | 5 | 0 | 0 | 0 | 1 | 24 |
| | 2024 | 24 | 6 | 0 | 0 | 0 | 0 | 30 |
| | 2025 | 30 | 3 | 0 | 0 | 0 | 0 | 33 |

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

| State | Year | Outlets at the Start of the Year | Outlets Opened | Outlets Reacquired from Franchisees | Outlets Closed | Outlets Sold to Franchisees | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|
| TX | 2023 | 0 | 0 | 1 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 1 |
| Total | 2023 | 0 | 0 | 1 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 1 |

**Table No. 5**
**Projected Openings as of December 31, 2025**
**(For the Next Fiscal Year)**

| State | Franchise Agreements Signed but Outlet Not Yet Opened | Projected New Franchised Outlets in the Next Fiscal Year | Projected New Company-Owned Outlets in the Next Fiscal Year |
|---|---|---|---|
| FL | 0 | 1 | 0 |
| MI | 0 | 0 | 0 |
| IN | 0 | 0 | 0 |
| MD | 0 | 0 | 0 |
| NC | 0 | 0 | 0 |
| OH | 0 | 0 | 0 |
| TX | 3 | 1 | 0 |
| KY | 0 | 0 | 0 |
| NY | 0 | 0 | 0 |
| VA | 3 | 1 | 0 |
| TN | 5 | 1 | 0 |
| NJ | 3 | 1 | 0 |
| WI | 3 | 2 | 0 |
| IA | 3 | 1 | 0 |
| Total | 20 | 8 | 0 |

Included as Exhibit F to this Disclosure Document is a list of our franchisees and multi-unit developers as of December 31, 2025. Your contact information (inclusive of your name and the address(es) and telephone number(s) of your respective Restaurant(s) will be disclosed here in the future, if you purchase a franchise.

A list of the franchisees who had a Franchised Business terminated, cancelled, not renewed

or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or who have not communicated with us within ten (10) weeks of the issuance date of this Disclosure Document are required to be disclosed. In the future, these individuals will be listed on the receipt page to this Disclosure Document when applicable. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, current and former franchisees may sign confidentiality provisions restricting their ability to speak openly about their experience with Ford's Garage franchise system. We do not have current or former franchisees that have entered into any agreement containing such confidentiality provisions. However, we may have current and/or former franchisees who are subject to such confidentiality provisions in the future. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

As of the issuance date hereof, there are no trademark-specific franchisee organizations associated with the Ford's Garage Restaurant System.

## Item 21: Financial Statements.

Our audited financial statements for the fiscal years ending December 31, 2023 and December 31, 2024 and December 31, 2025 are included as Exhibit D to this FDD.

Our fiscal year end is December 31.

## Item 22: Contracts.

All proposed agreements regarding the franchise offering are attached:

Franchise Agreement (Exhibit B to FDD); Multi-Unit Development Agreement (Exhibit C to FDD); Authorization Agreement for Prearranged Payment (Attachment 3 to the Franchise Agreement); General Release (Attachment 4 to the Franchise Agreement); Lease Rider (Attachment 5 to Franchise Agreement); Collateral Assignment of Lease (Attachment 6 to Franchise Agreement); Nondisclosure Agreement – Franchisee (Attachment 8 to the Franchise Agreement; Noncompetition Agreement – Franchisee (Attachment 9 to the Franchise Agreement); Guaranty and Assumption of Obligations (Attachment 10 to the Franchise Agreement); and Step-In Rights Agreement (Attachment 11 to the Franchise Agreement); Internet Advertising, Social Media and Telephone Account Agreement (Attachment 12 to the Franchise Agreement);State Addenda (Exhibit G to FDD)

## Item 23: Receipts.

Both your and our copy of the Disclosure Document Receipt is located on the last 2 pages of this FDD.

## EXHIBIT A

## AGENCIES/AGENTS FOR SERVICE OF PROCESS

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

| State | State Agency | Agent for Service of Process |
|---|---|---|
| CALIFORNIA | Commissioner of the Department of Financial Protection and Innovation<br>Department of Financial Protection and Innovation<br>320 West 4th Street, Suite 750<br>Los Angeles, CA 90013<br>(213) 576-7505<br>Toll-free (866-275-2677) | Commissioner of the Department of Financial Protection and Innovation |
| CONNECTICUT | State of Connecticut<br>Department of Banking<br>Securities & Business Investments Division<br>260 Constitution Plaza<br>Hartford, CT 06103-1800<br>(860) 240-8230 | Banking Commissioner |
| HAWAII | Business Registration Division<br>Department of Commerce and Consumer Affairs<br>335 Merchant Street, Room 203<br>Honolulu, HI 96813<br>(808) 586-2722 | Commissioner of Securities of the State of Hawaii |
| ILLINOIS | Office of Attorney General<br>Franchise Division<br>500 South Second Street<br>Springfield, IL 62706<br>(217) 782-4465 | Illinois Attorney General |
| INDIANA | Indiana Secretary of State<br>Securities Division<br>302 West Washington St., Room E-111<br>Indianapolis, IN 46204<br>(317) 232-6681 | Indiana Secretary of State<br>201 State House<br>Indianapolis, IN 46204 |
| MARYLAND | Office of the Attorney General<br>Division of Securities<br>200 St. Paul Place<br>Baltimore, MD 21202-2020<br>(410) 576-6360 | Maryland Securities Commissioner<br>200 St. Paul Place<br>Baltimore, MD 21202-2020<br>(410) 576-6360 |
| MICHIGAN | Michigan Department of Attorney General<br>Consumer Protection Division<br>Antitrust and Franchise Unit<br>670 Law Building<br>Lansing, MI 48913<br>(517) 373-7117 | Michigan Department of Commerce, Corporations and Securities Bureau |

| State | State Agency | Agent for Service of Process |
|---|---|---|
| MINNESOTA | Minnesota Department of Commerce<br>85 7th Place East, Suite 280<br>St. Paul, MN 55101-2198<br>(651) 539-1500 | Minnesota Commissioner of Commerce |
| NEW YORK | NYS Department of Law<br>Investor Protection Bureau<br>28 Liberty Street, 21st Floor<br>New York, NY 10005<br>(212) 416-8222 Phone | Attention: New York Secretary of State<br>New York Department of State<br>One Commerce Plaza<br>99 Washington Avenue, 6th Floor<br>Albany, NY 11231-0001<br>(518) 473-2492 |
| NORTH DAKOTA | North Dakota Insurance & Securities Department<br>600 East Boulevard Avenue Dept. 401<br>Bismarck, North Dakota 58505<br>Phone 701-328-2910 | North Dakota Securities Commissioner |
| OREGON | Department of Consumer and Business Services<br>Division of Finance and Corporate Labor and Industries Building<br>Salem, Oregon 97310<br>(503) 378-4387 | Director of the Department of Consumer and Business Services |
| RHODE ISLAND | Department of Business Regulation<br>Division of Securities<br>1511 Pontiac Avenue, Building 69-1<br>Cranston, RI 02920<br>(401) 462-9585 | Director of Rhode Island Department of Business Regulation |
| SOUTH DAKOTA | Division of Insurance<br>Securities Regulation<br>124 South Euclid, Suite 104<br>Pierre, SD 57501<br>(605) 773-3563 | Director of Insurance-Securities Regulation |
| VIRGINIA | State Corporation Commission<br>Division of Securities and Retail Franchising<br>1300 East Main Street, 9th Floor<br>Richmond, VA 23219<br>(804) 371-9051 | Clerk of State Corporation Commission<br>1300 East Main Street, 1st Floor<br>Richmond, VA 23219<br>(804) 371-9733 |
| WASHINGTON | Department of Financial Institutions<br>Securities Division<br>P.O. Box 9033<br>Olympia, WA 98507-9033<br>(360) 902-8760 | Director of Washington Financial Institutions<br>Securities Division<br>150 Israel Road, SW<br>Tumwater, WA 98501 |
| WISCONSIN | Wisconsin Securities Commissioner<br>Securities and Franchise Registration<br>345 W. Washington Avenue<br>Madison, WI 53703<br>(608) 266-8559 | Commissioner of Securities of Wisconsin |

# EXHIBIT B

## FRANCHISE AGREEMENT

**VINTAGE HOSPITALITY GROUP, LLC**
**FORD'S GARAGE FRANCHISE AGREEMENT**

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Attachment 2 Restaurant Location and Protected Territory/DMA
Attachment 3 ACH Debit Authorization Form
Attachment 4 General Release
Attachment 5 Lease Rider & Collateral Assignment
Attachment 6 Licensed Trademarks

Attachment 7  Nondisclosure Agreement – Franchisee
Attachment 8  Noncompetition Agreement – Franchisee
Attachment 9 Guaranty and Assumption of Obligations
Attachment 10 Step-In Rights Agreement
Attachment 11 Internet Advertising, Social Media and Telephone Account Agreement
Attachment 12  (SCHEDULE G) Sub-Licensee/Restaurant Location Request Form
Attachment 13 Statement of Legal Composition

# FORD'S GARAGE FRANCHISE AGREEMENT

**FRANCHISOR:**
Vintage Hospitality Group, LLC
501 N Reo St., Suite 102 Tampa,
Florida 33609

**FRANCHISEE:**
**Name:**_____
**Address:**_____

**THIS FRANCHISE AGREEMENT** (the "Agreement") is made and entered into on _____, 202__ by and between: (i) **Vintage Hospitality Group, LLC,** a Florida Limited Liability Company, with its principal office located at 501 N Reo St., Suite 102, Tampa, Florida 33609, ("we", "our", "us" and "Franchisor"), and (ii) **[Franchisee Entity]** [a/an _____ with a principal place of business located at_____ ("Franchisee Entity"); and (iii) **[Principal]**, an individual residing at _____, and **[Principal],** an individual residing at _____("Principal(s)"). Franchisee Entity and Principal(s) shall be collectively referred to in this Agreement ("you", "your" and "Franchisee").

## RECITALS

**WHEREAS**, Franchisor and its affiliate have developed a unique and distinctive business system (the "System") for the development and operation of a full-service restaurant and bar that combines the look of a 1920's service station/prohibition bar with the feel of a modern day "around the corner" Prime Burger and Craft Beer Joint with on-site dining or carry-out. The restaurant is a gourmet burger bar that will offer its patrons lunch and dinner menus (which are subject to modification), featuring the finest varieties of Black Angus Beef turkey, chicken, tuna, seafood and vegetarian products coupled with all- natural aged cheeses, gourmet toppings and local farm fresh produce (each a "Restaurant" or "Ford's Garage Restaurant"). The Restaurant will also offer an amazing selection of non-alcoholic and alcoholic beverages. The System currently operates under the name "Ford's Garage®";

**WHEREAS**, the distinguishing characteristics of the System include, without limitation, distinctive exterior and interior design, décor, color scheme, and furnishings; proprietary products and ingredients; proprietary recipes and special menu items, uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; procedures for inventory, management and financial control; training and assistance; and advertising and promotional programs; all of which may be changed, improved, and further developed by us from time to time;

**WHEREAS**, the System is identified by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, the marks "Ford's Garage" and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by us in writing) for use in connection with the System (hereinafter referred to as "Marks"). The mark "Ford's Garage®" and the Ford's Garage logo (the "FMC Marks") are owned by Ford Motor Company ("Ford"), which has licensed the FMC Marks to us so that we may sub-license the FMC Marks to selected persons, businesses or entities who comply with the uniformity requirements and quality standards of Franchisor and Ford;

**WHEREAS**, you understand and acknowledge the importance of high standards of quality, appearance, procedures, controls, and service established by us, and the necessity of operating

Restaurant in strict conformity with the standards and specifications we establish; and

**WHEREAS**, you desire to develop, own and operate a Ford's Garage Restaurant (the "Franchised Business") in conformity with the Franchise System and our uniformity requirements and quality standards, as we may modify them from time to time.

**NOW THEREFORE**, in consideration of the mutual promises and covenants set forth in this Agreement, Franchisor and the Franchisee agree and contract as follows:

## ARTICLE I: DEFINITIONS

Whenever used in this Agreement, the following words and terms have the following meanings:

**"Affiliate"** means any business entity that controls, is controlled by, or is under common control with Franchisor.

**"Agreement"** means this agreement entitled "Ford's Garage Franchise Agreement."

**"Accepted Location"** means the site for the operation of the Franchised Business selected by Franchisee in accordance with the terms and conditions of this Agreement and accepted in writing by Franchisor.

**"Competitive Business"** means any business that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) products or services as follows: (i) any "automobile themed" restaurant and/or bar; or (ii) any other restaurant or bar where the sale of hamburgers constitutes twenty five (25%) percent or more of the restaurant or bar's food sales (i.e., excluding liquor or other beverages and as well as non-food items such as merchandise); provided, however, that the term "Competitive Business" shall not apply to (a) any business operated by Franchisee under a Franchise Agreement with Franchisor, or (b) any business operated by a publicly-held entity in which Franchisee owns less than a five percent (5%) legal or beneficial interest.

**"Confidential Information"** means information used in or related to Ford's Garage Franchised Businesses and not commonly known by or available to the public, including, without limitation, Trade Secrets and any other information identified or labeled as confidential when delivered by Franchisor.

**"Designated Manager"** means the individual or business entity designated by Franchisee and accepted by Franchisor, as having primary responsibility for managing the daily affairs of the Franchised Business.

**"Effective Date"** means the date on which Franchisor and Franchisee fully execute this Agreement, thereby commencing its effectiveness and term.

**"Franchise"** means the right granted to Franchisee by Franchisor to use the System and the Marks pursuant to the terms and conditions of this Agreement.

**"Franchised Business"** means the franchised Restaurant to be established and operated by Franchisee pursuant to this Agreement.

**"Gross Sales"** means all sales and revenues generated from the operation of the Restaurant from any source whatsoever including from the sale of any Licensed Products and other items through other authorized channels (e.g. Restaurant websites), including without limitation, from sales of food and beverages, sales of Licensed Products and any merchandise, any so-called "door charges", cover charges, admission charges, entertainment and special event charges, other amounts received through or by means of business conducted pursuant to this Agreement, whether for cash or credit, exclusive of: (1) sales, value added, or service taxes actually and lawfully collected from customers; (2) all customer refunds; (3) gift cards; (4) customary tips and gratuities received by Restaurant employees in the normal course of business. For the avoidance of doubt, proceeds from the sale or disposition of property and equipment not ordinarily offered for sale to customers and interest income, dividends or capital gains shall not be considered to be revenue from the operations of a Restaurant.

**"Licensed Products"** means the Ford logo themed promotional products and merchandise, including, but not limited to, T-Shirts, jackets, hats, sweatshirts, gift cards, toy flying disks, pens, refillable cigarette lighters, bottle openers, insulated can coolers and bottle coolers, license plates, beer cups and mugs, coasters and bandanas (scullies), manufactured by (or produced for) Franchisor to be distributed, offered for sale, sold, advertised and promoted in Franchisee's Restaurant, through mail order to customers of Franchisee's Restaurant and through Franchisor's website.

**"Marks"** means the FMC Marks and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as Franchisor may designate to be used in connection with the Franchised Businesses;

**"Operations Manual"** means the Ford's Garage Operations Manual, whether in paper or electronic form, and any other items as may be provided, added to, changed, modified or otherwise revised by Franchisor from time to time that contain or describe the standards, methods, procedures and specifications of the System, including other operations, administration and managers' manuals and all books, computer programs, password-protected portions of an Internet site, pamphlets, memoranda and other publications prepared by, or on behalf of, Franchisor.

**"Principals"** refers to the list of holders of a legal and beneficial interest in Franchisee who are listed in Attachment 1 to this Agreement.

**"Permanent disability"** shall mean any physical, emotional or mental injury, illness or incapacity which would prevent a person from performing the obligations set forth in this Agreement or in the guaranty made part of this Agreement for at least ninety (90) consecutive days and from which condition recovery within ninety (90) days from the date of determination of disability is unlikely;

**"Restaurant"** shall have the same definition as Franchised Business above;

**"Restaurant Manager"** means the individual designated by Franchisee and accepted by Franchisor directly reporting to the Designated Manager who has the responsibility to provide personal onsite supervision over the operations of your Restaurant.

**"System"** means the uniform standards, methods, procedures and specifications developed by Franchisor and as may be added to, changed, modified, withdrawn or otherwise revised by Franchisor for the operation of Franchised Businesses; and

**"Trade Secrets"** means information in any form (including, but not limited to, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in Franchised Businesses that are not commonly known by or available to the public and that: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertained by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

## ARTICLE II: GRANT OF FRANCHISE AND ACCEPTED LOCATION

### 2.1 Grant

Franchisor hereby grants to Franchisee, upon the terms and conditions herein contained, a revocable, limited license and Franchisee hereby accepts the right and obligation to operate one (1) Franchised Restaurant using the System and Marks and in accordance with this Agreement. Franchisee and Franchisee's Principals have represented to Franchisor that Franchisee has entered into this Agreement with the intention to fully comply with the obligations to construct a Restaurant hereunder and not for the purpose of reselling the rights to develop the Restaurant hereunder. Franchisee and Franchisee's Principals understand and acknowledge that Franchisor has granted such rights in reliance on the business skill, financial capacity, personal character of, and expectations of performance hereunder by, Franchisee and Franchisee's Principals and that this Agreement and the rights and obligations hereunder may not be transferred until after the Restaurant is open for business to the public in accordance with Section 5.8, and then only in accordance with Article XV hereof.

### 2.2 Accepted Location

The street address (or detailed description of the premises) of the Accepted Location for the operation of the Franchised Business is set forth in Attachment 2. This Agreement does not grant to you the right or license to operate the Restaurant or to offer or sell any products or services described under this Agreement at or from any other location.

### 2.3 Accepted Location Not Determined as of Effective Date

If the Accepted Location is determined as of the Effective Date, then this Section shall be inapplicable. If the Accepted Location is not determined as of the Effective Date, then the geographic area in which the Accepted Location is to be located shall be within the geographic

area described in Attachment 2 ("Designated Area"). Franchisee shall diligently work to select and submit possible sites for Franchisor's evaluation and approval in accordance with Section 5.1. When the Accepted Location is determined, its address shall be inserted into Attachment 2, shall be initialed and dated by Franchisee and Franchisor and the Designated Area shall lapse. The failure to insert such address into Attachment 2, shall not automatically affect the enforceability of this Agreement. The Designated Area is delineated for the sole purpose of site selection and does not confer any territorial exclusivity or protection. A detailed description of the geographic area or boundaries of the Designated Area is set forth in Attachment 2 attached hereto.

### 2.4 Protected Territory/DMA

Upon determination of the Accepted Location in accordance with the terms of this Agreement, Franchisee will be assigned a protected territory based on a "Designated Market Area" (DMA), which, at a minimum, will consist of 100,000 in population, as set forth in Section 2.7 below ("Protected Territory/DMA"). Franchisee will operate the Franchised Business at the Accepted Location and shall limit all direct marketing, advertising, and business activities within its Protected Territory/DMA, as stated in Section 2.10. As long as this Agreement is in full force and effect and Franchisee is not in default under any of the terms hereof, Franchisor shall not: (i) establish or authorize any other person or entity, other than Franchisee, to establish a Restaurant in the Protected Territory/DMA during the term of this Agreement and any extensions hereof; or (ii) limit or alter the boundaries of Franchisee's Protected Territory/DMA. Franchisee acknowledges and understands that its rights in the Protected Territory/DMA are subject to Franchisor's rights set forth in Section 2.9 below.

### 2.5 Accepted Relocation

If Franchisee wishes to relocate to a new Accepted Location, Franchisee shall select and submit possible sites for Franchisor's evaluation in accordance with Sections 2.3 and 5.1. Franchisor shall have the right to accept or not accept any potential site in its sole discretion.

### 2.6 Additional Franchise Outlets

Franchisee shall not be permitted to open additional Franchised Businesses within their Protected Territory/DMA. Additional franchises shall be governed by an additional franchise agreement.

### 2.7 Map and Description of Protected Territory/DMA

The Protected Territory/DMA shall be designated on Attachment 2 to this Agreement and will be defined by: (i) one or more 5-digit zip codes; (ii) a radius from your Restaurant; (iii) county or city boundaries; or (iv) identified on a map. The size of the Protected Territory/DMA will remain unchanged during the term of the Franchise Agreement, even if the population increases or decreases.

### 2.8 Restrictions to Grant of Franchise

Franchisee acknowledges and agrees that this Agreement does not afford Franchisee any rights or options to open any additional Restaurants and that Franchisee does not have any right to

sub-license or sub-franchise any of the rights granted hereunder. Franchisee may not use the Marks or System for any purpose other than promoting and operating the Restaurant at the Accepted Location and within the Protected Territory/DMA in accordance with the terms of this Agreement. Franchisor will have sole discretion as to whether it decides to grant Franchisee the right to open any additional Restaurants, each of which will be governed by a separate form of Franchisor's then-current Franchise Agreement.

### 2.9 Rights Reserved by Franchisor

Franchisee acknowledges that except to the extent provided in Section 2.4 above, Franchisor (and its Affiliates) expressly retain all rights and discretion with respect to the Marks, System and the sale of any products and services, including, without limitation, the right to:

a) establish, own or operate, and license others the right to establish, own or operate, Franchised Businesses outside of the Protected Territory/DMA under any terms and conditions that Franchisor deems appropriate;

b) establish, own or operate, and license others to establish, own or operate other businesses under other systems using other trademarks at locations inside and outside of the Protected Territory/DMA, other than with respect to an "automobile themed" restaurant whose primary menu item is the sale of hamburgers;

c) be acquired (regardless of the form of transaction) by any business, even if the other business operates, franchises and/or licenses Competitive Businesses within the Protected Territory/DMA;

d) provide the services and sell the products authorized for Franchised Businesses using the Marks or other trademarks, service marks and commercial symbols through an alternate channel of distribution on such terms and conditions as Franchisor deems appropriate. (As used in this Agreement, "alternative distribution channels" include, but are not limited to, the Internet, catalog sales, grocery stores, club stores, other retail outlets, television sales, telemarketing or other direct marketing sales);

e) purchase or otherwise acquire the assets or controlling ownership of one (1) or more businesses identical or similar to the Franchised Business some or all of which may be located anywhere, including within the Protected Territory/DMA. If Franchisor purchases or acquires such businesses within the Protected Territory/DMA that are not franchised or licensed, Franchisor may, in its sole discretion:

(i) offer to sell any such businesses to Franchisee or to any third party at the business's fair market value to be operated as a Franchised Business; or

(ii) offer Franchisee the opportunity to operate such business(s) in partnership with Franchisor (or an Affiliate) under the business(s) existing trade name or a different trade name;

f) to operate and to grant others the right to operate Restaurants at non-

traditional sites within and outside the Protected Territory/DMA under any terms and conditions Franchisor deems appropriate. For the purposes of this Agreement, "Non-Traditional Sites" shall include, without limitation, sports arenas and venues; theaters; hotels and resorts; food retailers (including supermarkets, grocery stores and convenience stores); mall food courts, schools and university campuses; hospital and healthcare facilities; military bases; government buildings and establishments; airports; train stations; travel plazas; toll roads; beaches; parks and other seasonal facilities; and other mass gathering locations or events;

g) to sell Ford's Garage products and services to National/Regional and Institutional Accounts, wherever situated; and

h) to open and operate, or license third parties the right to open or operate, businesses that offer products and services similar to the Franchised Business under marks other than the Marks at any location.

### 2.10 Marketing and Solicitation Restrictions

a) Franchisee shall not directly market to or solicit customers whose principal business office or property address is located outside of the Protected Territory/DMA. Except as part of cooperative advertising implemented pursuant to Section 11.4, Franchisee shall not advertise in any media whose primary circulation is within the protected territory/DMA of another franchisee. Franchisor shall make reasonable efforts to enforce these restrictions with regard to Franchisee and any other Franchised Businesses, but under no circumstances shall Franchisor be required to engage in litigation or similar actions with regard to these restrictions.

b) Despite the marketing restriction in the previous section, Franchisee shall be permitted to serve any customers regardless of their home or business location address at the Accepted Location.

## ARTICLE III: FEES

### 3.1 Franchise Fee

Upon execution of this Agreement, Franchisee shall pay an initial franchise fee ("Franchise Fee") to Franchisor of FIFTY THOUSAND DOLLARS ($50,000.00). The Franchise Fee shall be deemed fully earned upon execution of this Agreement and is nonrefundable.

### 3.2 Weekly Royalty Fee

On or before the Tuesday of each week, for the duration of the Term, Franchisee shall pay to Franchisor a fee ("Royalty Fee") equal to five- and one-half percent (5.5%) of the Gross Sales for the previous week (Monday – Sunday). Franchisee shall pay weekly Royalty Fees in the following manner: Royalty Fees will be deducted automatically through EFT; and each weekly Royalty Fee payment made by Franchisee shall be accompanied by a sales report included directly from the required POS System reflecting the weekly Gross Sales.

### 3.3 National Marketing Fund Contribution

In addition to the Royalty Fee described in Section 3.2 above, Franchisee agrees to pay to Franchisor a marketing fund fee in an amount equal to one percent (1.0%) of the Restaurant's Gross Sales (the "National Marketing Fund Contribution"), which Franchisor may adjust from time to time. Franchisor has the right to increase Franchisee's National Marketing Fund Contribution to up to two and one-half percent (2.5%) of Gross Sales at any time, effective on notice to Franchisee. For clarity, the maximum National Marketing Fund Contribution shall not exceed two and one-half percent (2.5%). The National Marketing Fund Contribution is payable to Franchisor on a weekly basis, at the same time and in the same manner as the Royalty Fee.

Such National Marketing Fund Contribution shall be contributed to a National Marketing Fund maintained by Franchisor, as described in Section 10.3 below.

### 3.4 Electronic Funds Transfer

At Franchisor's request, Franchisee must sign and deliver to Franchisor the ACH Debit Authorization Form (Attachment 3), and/or such other documents that Franchisor periodically requires to authorize Franchisor to debit Franchisee's business checking account automatically for the Royalty Fees and National Marketing Fund Contributions and other amounts due to Franchisor under this Agreement or any related agreement between Franchisor and Franchisee (or their respective affiliates). Franchisee agrees to make the funds available for withdrawal by electronic transfer before each applicable due date. If payments are not received when due, interest may be charged by Franchisor in accordance with Section 3.6 below. Upon written notice to Franchisee, Franchisee may be required, at Franchisor's sole discretion, to pay such fees directly to Franchisor in lieu of electronic funds transfer.

### 3.5 Taxes

Franchisee shall pay to Franchisor an amount equal to all sales taxes, excise taxes, use taxes, withholding taxes and similar taxes imposed on the fees payable by Franchisee to Franchisor hereunder and on services or goods furnished to Franchisee by Franchisor at the same time as Franchisee remits such fees to Franchisor, whether such services or goods are furnished by sale, lease or otherwise, unless the tax is an income tax assessed on Franchisor for doing business in the state where the Accepted Location is located.

### 3.6 Interest on Overdue Amounts

All Royalty Fees, National Marketing Fund Contributions, amounts due for purchases by Franchisee from Franchisor and other amounts that are not received by Franchisor within five (5) days after the due date shall incur interest at the rate of the lower of: (i) one and one-half percent (1.5%) per month; or (ii) the highest rate allowed by the law of the state where Franchisee is located; from the date payment is due to the date payment is received by Franchisor. Franchisee shall pay Franchisor for all costs incurred by Franchisor in the collection of any unpaid and past due Royalty Fees, National Marketing Fund Contributions or any other amounts due Franchisor, including reasonable accounting and legal fees. This Section shall not constitute an agreement by Franchisor to accept any payments after the due date or a commitment by Franchisor to extend credit to or otherwise finance Franchisee.

### 3.7 Failure to Report

If Franchisee fails to report its Restaurant's Gross Sales for any period, Franchisee acknowledges and expressly agrees that Franchisor may debit Franchisee's account for one hundred twenty percent (120%) of the Royalty Fee and National Marketing Fund Contribution that Franchisor debited for the previous period. If, after Franchisor has determined the true and correct Gross Sales for the subject period, the amount Franchisor debits from Franchisee's account is less than the amount Franchisee actually owes Franchisor for the period, Franchisor will debit Franchisee's account for the balance due on the day Franchisor specifies. If, however, the amount Franchisor debits from Franchisee's account is greater than the amount Franchisee actually owes Franchisor for the subject period, Franchisor will credit the amount of overpayment against the amount Franchisor will debit from Franchisee's account during the following period without interest.

### 3.8 Application of Payments and Right of Set-off

Notwithstanding any designation by Franchisee, Franchisor shall have the right to apply any payments by Franchisee to any past due indebtedness of Franchisee for Royalty Fees, National Marketing Fund Contributions, purchases from Franchisor or any other amount owed to Franchisor in any proportion or priority. Franchisee may not withhold payment of any amounts Franchisee owes Franchisor due to Franchisor's alleged nonperformance of any of its obligations under this Agreement or any other agreement between Franchisor (and/or Franchisor's affiliates) and Franchisee.

### 3.9 Management Fee

If Franchisor (or its designee), steps in to temporarily operate Franchisee's Restaurant pursuant to Section 17.1 of this Agreement, Franchisee agrees to pay to Franchisor or its designee (as directed by Franchisor) the then-current management fee in the amount designated by Franchisor ("Management Fee"). Franchisee shall reimburse Franchisor for the expenses incurred by Franchisor in providing such management assistance, including, but not limited to, travel, lodging and meals for Franchisor's representatives.

### 3.10 Website Fee

Franchisor does not currently charge a Website Fee, however Franchisor reserves the right to do so at any time upon notice to Franchisee. If Franchisor implements this fee, Franchisee shall pay to Franchisor or Franchisor's designated vendor (as Franchisor designates) the then-current website fee for the development and maintenance of a web page for the Restaurant ("Website Fee"), not to exceed $2,000.00 per year which shall be payable by Franchisee monthly (or as otherwise designated by Franchisor). This fee may be increased as Franchisor deems to be reasonable and appropriate, but any such increase will not be in excess of five percent (5%) per year.

### 3.11 Social Media Fee

Currently Franchisor is not charging a Social Media Fee, but if instituted, Franchisee must pay to Franchisor or Franchisor's designated vendor (as directed by Franchisor) the then-current Social Media fee for managing the social media presence for Franchisee's Restaurant ("Social Media

Fee"). Franchisee shall pay the Social Media Fee on a monthly basis or as Franchisor otherwise designates. This fee may be increased as Franchisor deems to be reasonable and appropriate; provided that the increase will not exceed $2,000 per year.

### 3.12 Reputation Management Fee

Currently Franchisor is not charging a Reputation Management Fee, but if instituted, Franchisee shall pay the Reputation Management Fee to Franchisor (or its designee) on a recurring basis, as Franchisor may designate in its sole discretion, for reviewing Internet reviews and websites and managing the reputation of the Restaurant ("Reputation Management Fee"). Franchisor may require Franchisee to pay the Reputation Management Fee directly to Franchisor, its Affiliate or a designated vendor. If Franchisor designates a vendor and creates a cost associated to such, Franchisee will pay to Franchisor or its designee Franchisee's pro rata share. The Reputation Management Fee will not exceed $2,000 per year.

### 3.13 Internal Systems Fee

Franchisee shall pay to Franchisor an "internal systems fee", in an amount that Franchisor reasonably determines, for the development, adoption and/or use of new or improved internal systems technology for the benefit of the System and Franchised Business, including but not limited to, assigned phone numbers and email addresses required for use in the Franchised Business, Franchisor's Learning Management System (LMS), a franchise portal, benchmarking platform or other operations or communications systems ("Internal Systems Fee"). In Franchisor's sole discretion, Franchisor may (i) increase the amount of the internal systems fees by 5% each year (however the fee will not exceed $600 per month) or (ii) replace the technology with different technology, developed by Franchisor, its Affiliate or a third-party, and Franchisee shall pay the then-current fees for the replacement technology and for continuous access thereto. Franchisee shall pay the Internal Systems Fee in the manner and frequency as designated by Franchisor.

### 3.14 Reimbursement of Opening Team Expenses

As described in Section 8.2 below, a team of trained representatives ("Opening Team"), whose number shall be in Franchisor's sole discretion, shall be provided to assist Franchisee in the opening of Franchisee's Restaurant. The Opening Team will provide Franchisee with on-site pre-opening and opening training, supervision, and assistance for a period of approximately seventeen (17) days surrounding the Franchisee's Restaurant opening. Franchisee shall reimburse the owner of the franchised location that is providing the Opening Team, within ten (10) days after receipt of an invoice, for the pro-rated salaries, travel, lodging and meal expenses of the Opening Team ("Opening Team Expenses"). While the total amount of the Opening Team Expenses is difficult to calculate, Franchisor estimates that the Opening Team Expenses will be approximately between $100,000.00 and $150,000.00. If Franchisee's opening is delayed, Franchisee will pay all costs associated with rescheduling the Opening Team, including airfare and related travel charges. Thus, Franchisee's Opening Team Expenses may be higher than the estimated range if Franchisee reschedules the pre- opening training.

### 3.15 Pass-Through Fees

Franchisor has the right to pass through certain charges assessed by suppliers directly to Franchisee in the amount Franchisor designates. Currently, the pass-through charge is $35 per month for music licensing; $281 per quarter for inspection services; $350 per month for the learning management platform; and $135 per month for the gift card program. These fees are subject to change (including increase) at any time, effective on notice to Franchisee.

## ARTICLE IV: TERM AND RENEWAL

### 4.1 Initial Term

This Agreement shall be effective and binding for an initial term of ten (10) years from the Effective Date, unless sooner terminated in accordance with the terms of this Agreement.

### 4.2 Renewal Terms

Subject to the conditions below, Franchisee has the right to obtain a successor franchise at the expiration of the term of this Agreement by entering into Franchisor's then-current franchise agreement. Franchisee's right to a successor franchise is limited to two (2) successive renewal terms of ten (10) years. To qualify for a successor franchise, each of the following conditions shall have been fulfilled and remain true as of the last day of the term of this Agreement:

a) Franchisee has, during the entire term of this Agreement, fully complied with all material provisions of this Agreement;

b) Franchisee has access to and, for the duration of the successor franchise, the right to remain in possession of the Accepted Location, or a suitable substitute location accepted by Franchisor, which is in full compliance with Franchisor's then- current specifications and standards;

c) Franchisee has, at its expense, made such capital expenditures (including, but not limited to, renovating, remodeling, refurbishing and modernizing the design, equipment, signs, interior and exterior décor items, displays, inventory, fixtures, furnishings, trade dress, color scheme, presentation of trademarks and service marks for Franchisee's Restaurant) as are necessary to maintain uniformity with any Franchisor-required System modifications such that the Franchised Business reflects Franchisor's then-current standards and specifications. Notwithstanding the foregoing, Franchisee should not be required to make any such renovations or improvements during the last eighteen (18) months of Franchisee's lease term; provided, that in the event there is an extension or renewal of the lease term, then Franchisee shall complete such renovations and improvements within six (6) months of the commencement of Franchisee's renewal lease term;

d) Franchisee has satisfied all monetary obligations owed by Franchisee to Franchisor (or any Affiliate), and has timely met these obligations throughout the term of this Agreement;

e) Franchisee is not in default of any provision of this Agreement or any other agreement between Franchisee and Franchisor;

f) Franchisee has given written notice of its intent to operate a successor franchise to Franchisor not less than nine (9) months nor more than twelve (12) months prior to the end of the term of this Agreement;

g) Franchisee has executed Franchisor's then-current form of franchise agreement that may be different from this Agreement (or has executed other documents at Franchisor's election that modify this Agreement to reflect the fact that the Franchise Agreement relates to the grant of a successor franchise), which franchise agreement shall supersede this Agreement in all respects, and the terms of which may substantially differ from the terms of this Agreement by requiring, among other things, a different percentage Royalty Fee or National Marketing Fund Contribution; provided, however, that Franchisee shall not be required to pay Franchisor's then-current Franchise Fee, except as provided in (h) below;

h) Franchisee has paid a renewal fee equal to fifty (50%) percent of Franchisor's then-current franchise fee;

i) Franchisee has complied with Franchisor's then-current qualifications for a new franchisee and has agreed to comply with any training requirements; and

j) Franchisee has executed Franchisor's then-current form of general release (a sample of which is attached as Attachment 4), of any and all claims against Franchisor, any Affiliate and against any of their officers, directors, shareholders, managers, members, partners, principals, employees and agents (in their corporate and individual capacities).

In the event that Franchisee fails to timely renew this Agreement, Franchisor shall have the right to elect to "take over" Franchisee's interest in the lease for the Accepted Location and to activate the assignment of Franchisee's lease (or sublease), through the Lease Rider & Collateral Assignment of Lease, as described in Section 5.4 herein. In the event that Franchisor "takes over" and assumes Franchisee's lease for the Accepted Location, Franchisor shall purchase some or all of Franchisee's Operating Assets in accordance with Section 18.5 herein.

## ARTICLE V: SITE SELECTION; PLANS AND CONSTRUCTION

### 5.1 Franchisee Responsibility to Locate Site

Franchisee shall assume all cost, liability, expense and responsibility for locating, obtaining and developing a site for Franchisee's Restaurant within the Protected Territory/DMA or Designated Area, as applicable, and for constructing and equipping the Restaurant at such site. Franchisor and Ford require Franchisee to submit information related to the location referred to as (Schedule G) Sub-Licensee/Restaurant Location Request Form Attachment 12. Franchisee shall not make any binding commitment to a prospective vendor or lessor of real estate with respect to a site for the Restaurant unless Franchisor and Ford have accepted the site, as set forth below. Franchisee acknowledges that: (i) the location, selection, procurement and development of a site for the Restaurant is solely Franchisee's responsibility; and (ii) Franchisor's and Ford's acceptance of a prospective site and the rendering of assistance in the selection of a site does not constitute a representation, promise, warranty or guarantee, express or implied, by Franchisor or Ford that the Restaurant operated at that site will be profitable or otherwise successful.

### 5.2 Selection of Site

Franchisee shall select a facility to lease or purchase for the operation of the Franchised Business that meets Franchisor's and Ford's then-current site selection criteria to be accepted by Franchisor ("Accepted Location"). If an Accepted Location for the Franchised Business has not been determined as of the Effective Date, Franchisee shall select a site for the Franchised Business within the Designated Area and shall notify Franchisor of such selection, within 9 months of the Effective Date of this Agreement. Franchisor and Ford shall each evaluate the site and Franchisor will notify Franchisee of its and Ford's acceptance or non-acceptance of the site within a reasonable time (usually thirty (30) days) of Franchisor's receiving notice of the identity and location of the site from Franchisee. If Franchisor and Ford both accept the site, then the site shall be designated as the Accepted Location. If either Franchisor or Ford (as the case may be) do not accept such selection, or another site selection within the aforesaid nine (9) months and thirty (30) day period, then the provisions set forth in Section 5.3 shall apply. Franchisor will provide Franchisee with general guidelines to assist Franchisee in selecting a site suitable for the Accepted Location. Franchisor and Ford have the right to accept or not accept a proposed location based on such factors as it deems appropriate, including, without limitation, the condition of the premises, demographics of the surrounding area, proximity to other Ford's Garage Franchised Businesses, proximity to Competitive Businesses, or the size of the location and lease requirements. Franchisee shall not locate the Restaurant on a selected site without the prior written acceptance of Franchisor and Ford. Franchisee acknowledges and agrees that Franchisor's or Ford's acceptance of a location for the Restaurant is not a warranty or guaranty, express or implied, that Franchisee will achieve any particular level of success at the location or that the Restaurant will be profitable at the Accepted Location. Franchisor's acceptance of a location for the Restaurant only signifies that the location meets Franchisor's then-current minimum criteria for a Ford's Garage Restaurant. Franchisee must fill out and submit (Schedule G) Sub-Licensee/Restaurant Location Request Form Attachment 12.

### 5.3 Failure to Obtain Site Approval

Should Franchisee fail to obtain an Accepted Location within the nine (9) month period after the Effective Date of this Agreement (the "Identification, Acceptance Period"), Franchisor has the right, in its sole discretion, to terminate this Agreement.

### 5.4 Lease or Purchase of Accepted Location

a) If Franchisee seeks to execute a lease for, or a binding agreement to purchase the Accepted Location, Franchisee must obtain Franchisor's approval of the lease or purchase agreement, as the case may be, before signing any such lease or binding agreement. Franchisee must provide Franchisor's designated form of Lease Rider & Collateral Assignment, a current copy of which is attached as Attachment 5, to the landlord at the letter of intent stage and ensure that it is included in the final lease agreement (unless otherwise designated by Franchisor in writing). Franchisor shall have the right to withhold its approval of such transaction in its sole discretion. Franchisor's review of a lease or purchase agreement, or any advice or recommendation offered by Franchisor, shall not constitute a representation or guarantee that Franchisee will succeed at the

Accepted Location nor constitute an expression of Franchisor's opinion regarding the terms of such lease or purchase agreement. Franchisee acknowledges and agrees that Franchisee shall solely rely on its own independent review of any such lease or purchase agreement. Franchisor shall be entitled to require that nothing in the lease or purchase agreement contained is contradictory to, or likely to interfere with, Franchisor's rights or Franchisee's duties under this Agreement. Franchisor shall have fifteen (15) days after receipt of the lease, sublease or the proposed contract of sale to either approve or disapprove such documentation prior to its execution. If Franchisor fails to approve or disapprove before the expiration of this fifteen (15) day period, it shall be deemed disapproved. Should Franchisee fail to enter into an approved lease, sublease or purchase agreement with respect to the Accepted Location within sixty (60) days after the Identification, Acceptance Period, Franchisor has the right, in its sole discretion, to terminate this Agreement.

b) If Franchisee will be leasing (or subleasing) the Accepted Location, then Franchisor's approval of the form of lease (or sublease) for the Accepted Location will be conditioned on, but not limited to, said lease (or sublease) incorporating the terms of Franchisor's form of Lease Rider and Collateral Assignment, which is attached hereto as Attachment 5.

c) Simultaneously with Franchisee's execution of the lease (or sublease) for the location of the Restaurant, Franchisee expressly agrees that Franchisee will execute Franchisor's designated form of Lease Rider and Collateral Assignment. Franchisee also agrees to comply with Section 17.1 herein and execute Franchisor's form of Step-In Rights Agreement.

d) Franchisee agrees to execute such additional collateral lease assignment documents as may be required by Franchisor (including in the event the landlord for the Accepted Location refuses to accept Franchisor's designated form of Lease Rider and Collateral Assignment) and agrees that Franchisor may hold such documents in escrow until such time as Franchisor may elect to activate assignment of Franchisee's lease. If Franchisor elects, in its sole discretion, to activate assignment of Franchisee's lease (or sublease), Franchisee expressly acknowledges and agrees that Franchisor is irrevocably authorized to serve as Franchisee's attorney-in-fact to take such steps as Franchisor deems necessary to effectuate Franchisee's assignment of Franchisee's lease (or sublease) to Franchisor or Franchisor's designee.

### 5.5 Licenses, Permits and Zoning Clearances

Franchisee shall be solely responsible for obtaining all zoning classifications and clearances that may be required by state or local laws, ordinances or regulations in connection with the development of the Restaurant at the Accepted Location. Prior to commencing construction of the Restaurant, Franchisee shall (i) obtain all permits, licenses and certifications required for the lawful construction or remodeling and operation of the Restaurant, and (ii) certify in writing to Franchisor that: (a) all such permits, licenses and certification have been obtained; and (b) the insurance coverage specified in Article XIV is in full force and effect. Franchisee must obtain a liquor license prior to opening the Franchised Business. Upon Franchisor's written request, Franchisee shall provide Franchisor with additional copies of Franchisee's insurance policies or certificates of insurance and copies of all such approvals, clearances, permits and certifications.

### 5.6 Development of Accepted Location

Franchisor shall make available to Franchisee, Franchisor's Food Service Designer for Franchisee's kitchen plans, which will help Franchisee get the most up to date kitchen layout and equipment specifications for the Restaurant which Franchisee will be required to purchase and install. The first test fit and consultation are included in the Franchise Fee. Franchisor will also make available a sample layout and set of prototypical design plans and specifications for construction of the Restaurant, as well as sources of supply for the Restaurant's furnishings, fixtures, equipment, supplies, inventory, signs and other trade dress elements that are necessary for the development and operation of a Ford's Garage Restaurant. If Franchisee is converting an existing restaurant into a Ford's Garage Restaurant, then Franchisee acknowledges that Franchisee may, in Franchisor's discretion, be required to replace existing equipment, fixtures, furniture, electrical and plumbing, to conform with Franchisor's standards and specifications. Franchisee shall develop and construct the Restaurant in accordance with such specifications and in compliance with all applicable codes, permits and ordinances. Franchisee acknowledges that the sample layout and prototypical design plans furnished by Franchisor is to provide Franchisee with a visual reference from which Franchisee's architects, engineers, designers and contractors are to prepare architectural and construction drawings and plans to be used to obtain the permits and authorizations necessary to build and operate the Restaurant. Prior to its seeking to obtain such permits and authorizations, Franchisee shall submit to Franchisor for its approval, a complete set of Franchisee's proposed final drawings and plans, which will also include Franchisee's proposed final interior layout for the Accepted Location and a list of equipment, specifying type and manufacturer of each equipment item ("Final Drawings and Plans"). Franchisor will not assess whether Franchisee's proposed drawings and plans comply with all applicable federal, state and local laws, codes and regulations, including the Americans with Disabilities Act. Franchisee's architect shall certify to Franchisee, in writing that the drawings, plans and specifications for Franchisee's Restaurant comply with all the ADA (including, the architectural guidelines under the ADA), all applicable federal, state and local laws, building codes, fire codes, ordinances, rules and regulations and permit requirements. Upon Franchisor's request, Franchisee shall provide Franchisor with a copy of such certification. Once Franchisor approves Franchisee's proposed Final Drawings and Plans, Franchisee shall commence construction or remodeling of the Restaurant. Franchisee shall use its best efforts to complete the construction or remodeling (as applicable) of the Restaurant on a timely basis. During such construction or remodeling process, Franchisee shall provide Franchisor with such periodic reports regarding the progress of the construction or remodeling as Franchisor may reasonably request. Additionally, Franchisor, in its sole discretion, may conduct on-site inspections as Franchisor deems reasonably necessary to evaluate such progress. Franchisee shall notify Franchisor of the scheduled date for completion of construction or remodeling no later than thirty (30) days prior to such date. Franchisor may require any corrections and modifications that Franchisor and/or Franchisor's designees consider reasonable and necessary to bring the Restaurant into compliance with the drawings, plans and specifications Franchisor approved.

Within a reasonable time after the date the construction or remodeling is completed, Franchisor may, at its option, conduct an inspection of the newly constructed or remodeled Restaurant. Franchisee acknowledges and expressly agrees that Franchisee will not open the Restaurant for business without Franchisor's prior written authorization, which shall be conditioned, without limitation, upon whether Franchisee's Restaurant conforms to the approved drawings, plans and specifications, including any changes thereto that Franchisor approved and whether Franchisor

considers Franchisee and Franchisee's personnel prepared to commence the Restaurant's operations.

### 5.7 Failure to Develop Accepted Location and Open for Business

Franchisee must develop the Accepted Location and open the Restaurant for business within the first to occur of: (a) twelve (12) months after the last day of the Identification, Acceptance, Lease Period; or (ii) eighteen (18) months from the effective date of this Agreement (or, if this Agreement is executed pursuant to a Multi- Unit Development Agreement, then the opening deadline shall be the opening deadline specified in the Multi-Unit Development Agreement). If Franchisee fails to open the Accepted Location within this time period, and unless Franchisor has extended this time period, Franchisor shall have the right to terminate this Agreement. If this Agreement is terminated pursuant to this Section 5.7, Franchisor shall retain the Franchise Fee paid by Franchisee upon signing this Agreement, and Franchisor shall have no future obligations to Franchisee as of the date of said termination. In connection with such termination, Franchisee shall execute Franchisor's then-current form of general release (a sample copy is attached hereto as Attachment 4), releasing Franchisor from any and all claims that Franchisee may have against Franchisor, Franchisor's Affiliates and their respective officers, directors, shareholders, managers, members, partners, principals, employees and agents (in their corporate and individual capacities). However, notwithstanding the above, Franchisor shall have the right, but not the obligation, to "take over" Franchisee's rights with respect to the Accepted Location and Franchisor may elect to activate the assignment of Franchisee's lease (or sublease), through the Lease Rider and Collateral Assignment of Lease, as described in Section 5.4 above. Finally, in the event that Franchisor exercises its right to take over Franchisee's Accepted Location and Franchisor elects to purchase any assets which are attributable to Franchisee's Accepted Location (including improvements made by Franchisee in accordance with its Final Drawings and Plans which were Accepted by Franchisor), then Franchisor and Franchisee agree that Franchisor shall purchase any such assets for the sum of Franchisee's documented costs and expenses which are associated therewith.

### 5.8 Opening

As set forth above, Franchisee shall open the Restaurant and commence operations within the first to occur of: (a) twelve (12) months from the effective date of the lease or sublease or purchase agreement for the Accepted Location; or (ii) eighteen (18) months from the effective date of this Agreement (or, if this Agreement is executed pursuant to a Multi- Unit Development Agreement, then the opening deadline shall be the opening deadline specified in the Multi-Unit Development Agreement), unless Franchisor has, in its sole discretion, agreed (in writing) to grant Franchisee an extension. Before opening the Restaurant and commencing business, Franchisee must:

(a) complete all exterior and interior preparations for the Restaurant (including, without limitation, installation of equipment, fixtures, furnishings and signs pursuant to the drawings, plans and specifications Accepted by Franchisor;

(b) fulfill all of Franchisee's pre-opening obligations;

(c) furnish Franchisor with copies of all insurance policies required by this Agreement, or by the lease (if any), or such other evidence of insurance coverage and payment of premiums as Franchisor may request;

(d) complete initial training to the reasonable satisfaction of Franchisor;

(e) hire and train the personnel necessary or required for the operation of the Franchised Business;

(f) if Franchisee is a business entity, cause each of its stock certificates or other ownership interest certificates to be conspicuously endorsed upon the face thereof a statement in a form satisfactory to Franchisor that such ownership interest is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon transfers and assignments by this Agreement;

(g) obtain Franchisor's permission and approval of an opening date; Franchisor shall not unreasonably withhold consent to open. Permission to open shall be based on Franchisor's determination that Franchisee is ready to open and satisfactorily prepared to operate; and

(h) pay in full all amounts due to Franchisor.

If Franchisee fails to reasonably comply with any of such obligations, except for delay caused by a force majeure act as described in Section 23.12, Franchisor shall have the right to prohibit Franchisee from commencing business. Franchisee's failure to open the Restaurant and commence business in accordance with the foregoing shall be deemed an event of material default under this Agreement.

### 5.9 Use of Accepted Location

Franchisee shall not use the Accepted Location for any purpose other than for the operation of the Franchised Business in full compliance with this Agreement and the Operations Manual, unless otherwise authorized in writing by Franchisor.

### 5.10 Relocation

Franchisee shall not relocate the Accepted Location without the prior written consent of Franchisor. If the Accepted Location is leased, and the lease expires or terminates through no fault of Franchisee or if the Accepted Location's premises is destroyed, condemned or otherwise rendered unusable, Franchisee may request the right to relocate the Accepted Location within the Protected Territory/DMA either permanently or temporarily as appropriate under the circumstances. Franchisee shall have six (6) months to relocate the Restaurant. Should Franchisee desire to relocate the Accepted Location for any other reason, Franchisee shall request the right and Franchisor may approve or disapprove such request, in Franchisor's sole discretion. Any relocation of the Accepted Location shall be at Franchisee's sole expense and shall proceed in accordance with the requirements set forth in Sections 5.1 through 5.10. Franchisor has the right to charge Franchisee for any costs incurred by Franchisor in providing assistance to Franchisee, including, but not limited

to, legal and accounting fees. Notwithstanding the foregoing, Franchisor has no obligation to provide relocation assistance. If Franchisor and Franchisee do not agree upon a substitute site within ninety (90) days after the lease expires or is terminated or the Accepted Location is rendered unusable, this Agreement shall terminate as provided in Section 16.2.

## ARTICLE VI: MARKS

### 6.1 Grant of License to Use Trademarks

Franchisor and Ford are parties to a trademark license agreement (the "Ford Trademark License Agreement"), as it may be renewed and/or amended, pursuant to which Ford has granted to Franchisor the right to use and sublicense to Franchisor's franchisees the right to use the FMC Marks in connection with the operation of Franchisor's or its franchisees' Franchised Businesses. In accordance with the grant under the Ford Trademark License Agreement, Franchisor grants to Franchisee a license to use the Marks, including the FMC Marks, in connection with the operation of the Franchised Business during the term of this agreement (and any renewal thereof), and in accordance with the terms and conditions of this Agreement, the System and Franchisor's designated standards and specifications.

### 6.2 Ownership

Franchisor is the licensee of Ford, who as owner, has all right, title and interest in and to the FMC Marks and the goodwill associated with and symbolized by them. All references herein to Franchisor's right, title and interest in the Marks shall be deemed to include Ford's right, title and interest in the FMC Marks. Franchisee's right to use the Marks, including the FMC Marks, is derived solely from this Agreement, is nonexclusive and is limited to the conduct of business by Franchisee pursuant to, and in compliance with, this Agreement and all applicable standards, specifications and operating procedures prescribed from time to time by Franchisor. Any unauthorized use of the Marks, including the FMC Marks, by Franchisee is a material breach of this Agreement and an infringement of the rights of both Ford and Franchisor in and to the Marks. Franchisee's use of the Marks, and any goodwill created thereby, shall inure to the benefit of Ford (with respect to the FMC Marks) and Franchisor (with respect to any other of the Marks), as applicable. Franchisee shall not at any time acquire an ownership interest in any of the Marks or the FMC Marks by virtue of any use it may make of any such marks. This Agreement does not confer any goodwill, title or interest in any of the Marks (including the FMC Marks) to Franchisee. Franchisee shall not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership of any of the Marks, including the FMC Marks, or assist any other person in contesting the validity or ownership of any of the Marks, including the FMC Marks.

### 6.3 Limitations on Use

Franchisee understands and agrees that nothing in this Agreement gives Franchisee any right, title or interest in the Marks, other than the license to display and use the Marks in accordance with the terms and limitations set forth in this Agreement, the Franchisor's Operations Manual or any

written notifications that Franchisor may give to Franchisee from time to time. Franchisee acknowledges and expressly agrees that Franchisee's license to use the Marks is limited to the Marks listed in Attachment 6 attached hereto (provided that Franchisor has not designated a Mark(s) as withdrawn from use), together with those Marks that Franchisor may designate, in writing, in the future. Unless otherwise authorized or required by Franchisor, Franchisee shall operate and advertise the Restaurant only under the Marks, without any prefix, suffix or modifying words, terms, designs or symbols (other than those logos licensed by Franchisor to Franchisee). Franchisee shall not use any Mark or portion of any Mark as part of any business entity name. Franchisee shall not use any Mark in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized in writing by Franchisor. Franchisee shall give such notices of trademark and service mark registrations as Franchisor specifies and obtain such fictitious or assumed name registrations as may be required under applicable law to do business as a Ford's Garage Restaurant. Franchisee shall not register or seek to register as a trademark or service mark, either with the United States Patent and Trademark Office or any state or foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any Mark licensed to Franchisee. Franchisee shall include on its letterhead, forms, invoices, cards and other such identification, and shall display at such conspicuous locations at the Accepted Location or any such delivery vehicle (as Franchisor may designate), a prominent notice stating that the Franchised Business is an "Independently Owned and Operated Franchise" of Franchisor. Franchisee shall not use the Marks to incur any obligation or indebtedness on Franchisor's behalf. Franchisee shall comply with Franchisor's instructions in filing and maintaining the requisite trade name or fictitious name registrations, and Franchisee agrees to execute any documents Franchisor (or Franchisor's counsel) deems necessary to obtain protection of the Marks or to maintain their continued validity and enforceability.

### 6.4 Use and Display of Marks

(a) Use. Franchisee understands and agrees that each time Franchisee uses the Marks, such use must be in full compliance with Franchisor's specifications and limitations. Franchisee expressly agrees not to use the Marks in a manner that would jeopardize the goodwill associated with the Marks or the System. Any unauthorized use of the Marks by Franchisee will constitute an infringement of Franchisor's and Ford's rights and a material and incurable breach of this Agreement, which unless Franchisor waives the breach, will entitle Franchisor to immediately terminate this Agreement upon notice to Franchisee, with no opportunity to cure.

(b) Display. Franchisee agrees to affix the Marks at the site of Franchisee's Ford's Garage Restaurant, as well as on: (a) any delivery vehicles, if any, operated by Franchisee; (b) Franchise's Ford's Garage point-of-sale materials, signs, stationery, advertising, sales, marketing; and (c) Franchisee's promotional materials and other objects in the size, color, lettering style and fashion and at the places which Franchisor designates in its Operations Manual or otherwise. Franchisee also agrees to display the Marks and relevant trademark and copyright notices pursuant to the requirements set forth in the Manual. No trademarks, logotypes, names, symbols or service marks other than the Marks may be used by or in connection with Franchisee's Ford's Garage Restaurant, except as Franchisor may expressly provide in its Operations Manual or as Franchisor

may approve in writing.

### 6.5 Notification of Infringements and Claims

Franchisee shall immediately notify Franchisor of any infringement of the Marks or challenge to its use of any of the Marks or claim by any person of any rights in any of the Marks. Franchisee shall not communicate with any person other than Franchisor and Franchisor's counsel in connection with any such infringement, challenge or claim; provided, however, Franchisee may communicate with Franchisee's counsel, at Franchisee's expense. Franchisor has the right to take such action as it deems appropriate and the right to exclusively control any litigation or other proceeding arising out of any infringement, challenge, or claim or otherwise relating to any of the Marks. Franchisee shall execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of Franchisor's counsel, be necessary or advisable to protect and maintain Franchisor's interests in any such litigation or other proceeding or to otherwise protect and maintain Franchisor's interest in the Marks.

### 6.6 Indemnification for Use of Marks

Franchisor shall indemnify Franchisee and hold Franchisee harmless from and against any and all claims, liabilities, costs, damages, and reasonable expenses incurred by Franchisee in any trademark or similar proceeding disputing Franchisee's authorized use of any Mark, provided that Franchisee (and Franchisee's principals) has fully complied with the provisions of Section 6.3 and has complied with this Agreement and Franchisor's directions in responding to such proceeding. At Franchisor's option, Franchisor or its designee may defend and control the defense of any proceeding arising directly from Franchisee's use of any Mark. This indemnification shall not include the expense to Franchisee of removing signage or discontinuance of the use of the Marks; shall not apply to litigation between Franchisor and Franchisee wherein Franchisee's use of the Marks is disputed or challenged by Franchisor; shall not apply to any separate legal fees or costs incurred by Franchisee in seeking independent counsel separate from the counsel representing Franchisor and Franchisee in the event of litigation disputing Franchisor and Franchisee's use of the Marks.

### 6.7 Discontinuance of Use

If Franchisor deems it necessary for Franchisee to modify or discontinue use of any of the Marks, including without limitation, should Franchisor lose its right to use any of the FMC Marks or any other Marks, and/or should Franchisor deem it necessary for Franchisee to use one (1) or more additional or substitute trade names, trademarks, service marks or other commercial symbols, Franchisee shall comply with Franchisor's directions within ten (10) business days after notice to Franchisee by Franchisor and subject to the limitations set forth in this Agreement. Franchisor shall not be required to reimburse Franchisee for its expenses in modifying or discontinuing the use of a Mark or any loss of goodwill associated with any modified or discontinued Mark or for any expenditures made by Franchisee to promote a modified or substitute Mark. Franchisee waives any other claim arising from or relating to Franchisor's discontinuance, modification or substitution of

any of the Marks. Franchisee covenants not to commence or join in any litigation or other proceeding against Franchisor for any of these expenses, losses or damages.

As noted in Section 6.1 above, Franchisor's license to use and right to sublicense to others the right to use the Marks in connection with the System and Franchisor's (including its affiliates and franchisees') Ford's Garage Restaurants is subject to that certain Ford Trademark License Agreement. Under the Ford Trademark License Agreement, either party has the right to terminate the Agreement. Should Ford exercise its right to terminate the Ford Trademark License Agreement, then Franchisor's and Franchisee's right to use the F M C Marks (including the "Ford's Garage" name) will expire at the end of the applicable period. If, however, Franchisor elects to terminate the Ford Trademark License Agreement, then Franchisor's and Franchisee's right to use the F M C Marks will expire n i n e (9) months from the date of Franchisor's notice of termination. In either case, within twenty (20) business days of such expiration or termination, Franchisor shall provide Franchisee with written notice of the loss of Franchisor's license rights (the "License Loss Notice"). Franchisee shall convert the Restaurant to Franchisor's rebranded restaurant concept within the time frame Franchisor designates in its License Loss Notice, which time frame shall not be less than one hundred eighty (180) days from the date of receipt of the Notice. Franchisee shall be responsible for all costs and expenses associated with such conversion.

### 6.8 Right to Inspect

To preserve the validity and integrity of the Marks licensed hereunder, and to ensure that Franchisee is properly employing the Marks in the operation of the Franchisee's Franchised Restaurant, Franchisor and its designees have the right to enter and inspect the Accepted Location at all reasonable times and, additionally, have the right to assess Franchisee's use and display of the Marks.

### 6.9 Franchisor's Sole Right to Domain Name

Franchisee shall not advertise on the Internet using, or establish, create or operate an Internet site or website using a domain name or uniform resource locator containing, the Marks or the words "Ford's Garage" or any variation thereof without Franchisor's written approval. Ford is the sole owner of all rights, title and interest in and to such domain names as Franchisor shall designate in the Operations Manual.

## ARTICLE VII: <u>NONDISCLOSURE AND NON-COMPETITION COVENANTS</u>

### 7.1 Confidential Operations Manual

a) Franchisor will allow the Franchisee access to the confidential operations manual (the "Operations Manual") that currently lives on the Franchisee Management System Portal (or any other portal that Franchisor may specify now or in the future). The Operations Manual will at all times remain confidential and the sole and exclusive property of Franchisor.

b) To protect the integrity of the System, Franchisor's reputation and goodwill and to maintain the high standards of operations under the Marks, Franchisee shall conduct Franchisee's Restaurant in accordance with: (1) Franchisor's Operations Manual (as may be amended); (2) other written directives that Franchisor may issue to Franchisee from time to time (whether or not such directives are included in the Operations Manual); and (3) any other manuals and materials created or Accepted for use in the operation of the Restaurant.

c) Franchisor may, from time to time, revise the Operations Manual. Franchisee expressly agrees to modify the operations of the Restaurant to implement all such revisions, additions and supplements made by Franchisor to the System which are reflected by the Operations Manual as promptly as reasonably possible. Franchisee will not use the Operations Manual or any information contained therein for any purpose other than the operation of the Franchised Business.

d) Franchisee shall, at all times, treat the Operations Manual and any other manuals created for or Accepted for use in the operation of the Franchisee's Restaurant as secret and confidential, and Franchisee shall use all reasonable means to keep such information secret and confidential. Franchisee and its employees will not make any copy, duplication, record or reproduction of the Operations Manual available to any unauthorized person and shall implement all reasonable procedures to prevent unauthorized use or disclosure of the Operations Manual.

e) Franchisee shall at all times keep Franchisee's copy of the Operations Manual current and up-to-date, and in the event of any dispute regarding the Operations Manual, the terms of the master copy of the Operations Manual maintained by Franchisor will be controlling in all respects. Franchisor will have the right to "update" the Operations Manual by either mailing the updates to Franchisee or by making copies of the updates available on a secure Internet website or by some other electronic means.

f) Franchisee agrees that upon the expiration or termination of this Agreement, Franchisee will, in accordance with Franchisor's instructions, return to Franchisor all written or electronic copies of the Operations Manual.

### 7.2 Trade Secrets and Other Confidential Information

Franchisor and Franchisee expressly understand and agree that Franchisor will be disclosing and providing to Franchisee certain confidential and proprietary information concerning the System and the procedures, operations, technology and data used in connection with the Franchisor's System. Franchisee will not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person or entity any such confidential and proprietary information, knowledge or know-how concerning the methods of operation of the Franchised Business that may be communicated to the Franchisee, or of which the Franchisee may be apprised by virtue of this Agreement. Franchisee shall divulge such Confidential Information only to its employees who must have access to it in order to operate the Franchised Business.

For the purposes of this Agreement, Confidential Information shall include, without limitation, any and all information: (1) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, Trade Secrets, knowledge and experience used in

developing and operating Franchised Restaurants (including, without limitation, system standards); (2) market research and promotional, marketing and advertising programs for Franchised Restaurants; (3) knowledge of specifications for and suppliers of, and methods of ordering certain operating assets, materials, equipment and fixtures that Franchised Restaurants use; (4) knowledge of the operating results and financial performance of Franchised Restaurants other than Franchisee's Franchised Business; (5) customer communication programs, along with data used or generated in connection with those programs; (6) the terms of this Agreement; (7) the Operations Manual; (8) graphic designs and related intellectual property; (9) the Customer List (as described in Section 7.5 below); and (10) Franchisor's website and intranet. "Confidential Information" does not include information, knowledge or know-how which Franchisee knew from previous business experience before Franchisor provided it to Franchisee (directly or indirectly) or before Franchisee began training or operating the Business. If Franchisor includes any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that the exclusion in this paragraph is fulfilled.

### 7.3 Restrictions on Use of Confidential Information

Franchisee acknowledges and agrees that it will not acquire any interest in Confidential Information, other than the right to use certain Confidential Information in the development and operation of the Restaurant during the term of this Agreement and in performing Franchisee's obligations in accordance with the terms and conditions of this Agreement. Franchisee acknowledges that Franchisee's use of any Confidential Information in any other business would constitute an unfair method of competition with Franchisor, Franchisor's affiliates and Franchisor's franchisees and may violate certain laws. To wit, Franchisee will execute and will cause Franchisee's principals, officers, directors and guarantors to execute separate Non-Disclosure Agreements in the form attached to this Agreement as Attachment 7. Franchisee acknowledges and agrees that Franchisor owns the Confidential Information. Franchisee further acknowledges that Franchisee will be given access to the Confidential Information while affiliated with Franchisor and during the term of this Agreement. Franchisee further acknowledges and agrees that the Confidential Information is proprietary and is disclosed to Franchisee only on the condition that Franchisee, Franchisee's principals, Designated Manager, managers, employees, agents and/or independent contractors who have access to it agree, and they do agree, that Franchisee, and Franchisee's principals and such Designated Manager, managers, employees, agents and/or independent contractors:

a) will not use any Confidential Information in any other business or capacity;

b) will keep the Confidential Information absolutely confidential during and after this Agreement's term (and any extension thereof) or during and after their employment with Franchisee, as applicable;

c) will not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form;

d) will adopt and implement all reasonable procedures that Franchisor periodically prescribes to prevent unauthorized use or disclosure of Confidential Information,

including, without limitation, restricting its disclosure to business/restaurant personnel and others needing to know such Confidential Information to operate the Restaurant; and

e) Franchisee must require Franchisee's Principals, Designated Manager(s), Restaurant Manager and other managers and employees who will have access to the Confidential Information (and any other person or entity to whom Franchisee wishes to disclose any confidential information) to sign Non-Disclosure Agreements with Franchisee providing that they will maintain the confidentiality of the disclosed information. These various agreements must be in a form satisfactory to Franchisor and must identify Franchisor as a third-party beneficiary with the independent right to enforce the agreements. Franchisee shall provide copies of all signed Non-Disclosure Agreements to Franchisor.

Franchisee agrees that upon the expiration or termination of this Agreement, Franchisee will, in accordance with Franchisor's instructions, destroy or return to Franchisor all written or electronic copies of the Confidential Information.

### 7.4 Additional Developments

All ideas, concepts, techniques or materials concerning the System or developed, in whole or in part, using Confidential Information, whether or not protectable intellectual property and whether created by or for Franchisee or its principals or employees and independent contractors, shall be promptly disclosed to Franchisor and shall be deemed the sole and exclusive property of Franchisor and works made-for-hire for Franchisor. No compensation shall be due to Franchisee or its principals or employees and independent contractors, and Franchisee agrees to assign to Franchisor all right, title and interest in any intellectual property so developed. Franchisor has the right to incorporate such items into the System. To the extent any item does not qualify as a "work made-for-hire" for Franchisor, Franchisee shall assign, and by this Agreement, does assign, ownership of that item, and all related rights to that item, to Franchisor and shall sign any assignment or other document as Franchisor requests to assist Franchisor in obtaining or preserving intellectual property rights in the item. Franchisor shall disclose to Franchisee concepts and developments of other franchisees that are made part of the System. As Franchisor may reasonably request, Franchisee shall take all actions to assist Franchisor's efforts to obtain or maintain intellectual property rights in any item or process related to the System, whether developed by Franchisee or not.

### 7.5 Customer List

Franchisee agrees that the list of the names, addresses and other information regarding Franchisee's current customers, former customers, and those who have inquired about Ford's Garage products and services (the "Customer List") shall be included in the Confidential Information, shall be Franchisor's property and shall constitute Franchisor's Trade Secret. Franchisee agrees that Franchisee may not disclose the Customer List, or any portion thereof, to any person other than Franchisor, either during the term of this Agreement or thereafter. Franchisee further agrees that a breach of this Section shall be grounds for immediate termination of this Agreement pursuant to 16.1.

### 7.6 Affiliates of Ford's Garage

Franchisee agrees that the names, addresses and other information regarding Franchisor's affiliates, partners, vendors and service providers that Franchisor introduced to Franchisee (the "Ford's Garage Affiliates") shall be included in the Confidential Information, shall be the property of Franchisor and shall constitute a Franchisor Trade Secret. Franchisee agrees that Franchisee may not disclose any information concerning the Ford's Garage Affiliates, to any person, either during the term of this Agreement or thereafter. Franchisee also agrees that upon the expiration or termination of this Agreement, Franchisee will not, for a period of two (2) years following the expiration or termination of this Agreement, contact, communicate with, contract, engage or attempt to contract or engage any Ford's Garage Affiliate that:

a) Franchisor introduced to Franchisee;

b) Franchisee came in contact with while a Ford's Garage franchisee; or

c) Franchisee learned of during Franchisee's tenure as a Ford's Garage franchisee.

Franchisee further agrees that a breach of this Section shall be grounds for immediate termination of this Agreement pursuant to Section 16.1.

### 7.7 Non-Disparagement.

Franchisee agrees not to (and to use its best efforts to cause its current and former shareholders, members, officers, directors, principals, agents, partners, employees, representatives, attorneys, spouses, affiliates, successors and assigns not to) disparage or otherwise speak or write negatively, directly or indirectly, of Franchisor, its affiliates, any of Franchisor's affiliates' directors, officers, employees, representatives or affiliates, current or former franchisees or developers of Franchisor or its affiliates, the Ford's Garage brand, the Franchise System, any Ford's Garage Restaurant, any business using the Marks, any other brand or service marked or trademarked concept of Franchisor or its affiliates, or which would subject the Ford's Garage brand or such other brands to ridicule, scandal, reproach, scorn, or indignity, or which would negatively impact the goodwill of the Marks or the Franchise System. The obligations of this provision shall survive any expiration or termination of this Agreement.

### 7.8 Covenant Not to Compete

a) Covenant Not to Compete During Franchise Term. Franchisee (including each individual who is a franchisee) shall execute and, if Franchisee is an entity, each of Franchisee's principals, officers, directors, owners, shareholders, members and any personal guarantor who guarantees Franchisee's obligations under this Agreement, shall execute a Non-Competition Agreement in the form annexed hereto as Attachment 8. Further, Franchisee expressly agrees that Franchisee shall not, during the term of this Agreement or any subsequent

renewal term, directly or indirectly for Franchisee or through, on behalf of or in conjunction with any person(s) (including a spouse, family member, business associate, etc.), partnership or corporation:

(i) acquire, operate, finance, invest in, control (directly or indirectly, whether of record, beneficially or otherwise) or own any beneficial interest in, or perform services as a director, officer, manager, employee, consultant, representative or agent for any or in connection with: (i) any "automobile themed" restaurant or bar, wherever located; or (ii) any other Competitive Business, i.e., any other restaurant or bar where the sale of hamburgers constitutes twenty five (25%) percent or more of the restaurant's food sales (i.e., excluding liquor or other beverages as well as all non-food items such as merchandise), within twenty five (25) miles of: (1) the location where any Ford's Garage Restaurant developed under this Agreement was operating at the time that this Agreement expired or was terminated; or (2) any Ford's Garage Restaurant (whether company owned, franchised or otherwise established and operated) (collectively, the "Restricted Area"); or

(ii) divert, or attempt to divert, any actual or potential business or customer of Franchisee's Restaurant or Franchisor to any competitor, by direct or indirect inducement or otherwise or do or perform, directly or indirectly, injurious or prejudicial to the goodwill associated with the Marks and the System.

At Franchisor's request, Franchisee must also require its Designated Manager(s) to enter a non-competition agreement with Franchisee which will restrict said Designated Manager(s) from having any direct or indirect involvement (as referenced above) in connection with, any Competing Business (as defined above) wherever located, during the term of the Franchise Agreement and any renewal or extension thereof. Franchisee shall be responsible for ensuring that the terms and conditions relating to these restrictive covenants are reasonable and enforceable under applicable state law where Franchisee operates its Franchised Business. Any such agreement must be in a form satisfactory to Franchisor and must identify Franchisor as a third-party beneficiary with the independent right to enforce the agreements. At Franchisor's request, a copy of these signed agreements must be provided to Franchisor.

b) Post Term Covenant Not to Compete. Franchisee (including each individual who is a franchisee) shall execute and, if Franchisee is an entity, each of Franchisee's principals, officers, directors and any personal guarantor who guarantees Franchisee's obligations under this Agreement, shall execute a Non-Competition Agreement in the form annexed hereto as Attachment 8. Further, Franchisee expressly agrees that, upon the assignment, expiration or termination of the Franchise Agreement or any subsequent renewal term, Franchisee shall not, directly or indirectly for Franchisee or through, on behalf of or in conjunction with any person(s) (including a spouse, family member, business associate, etc.), partnership or corporation:

(i) acquire, operate, finance, invest in, control or own any beneficial interest in, or perform services as a director, officer, manager, employee, consultant, representative or agent for any or in connection with: (i) any "automobile themed" restaurant or bar, wherever located; or (ii) any other Competitive Business, i.e., any other restaurant or bar where the sale of hamburgers constitutes twenty-five (25%) percent or more of the restaurant's food sales (i.e., excluding liquor or other beverages as well as all non-food items such as

merchandise), within twenty-five (25) miles of: (1) the location where any Ford's Garage Restaurant developed under this Agreement was operating at the time that this Agreement expired or was terminated; or (2) any Ford's Garage Restaurant (whether company owned, franchised or otherwise established and operated) (collectively, the "Restricted Area"); or

(ii) divert, or attempt to divert, any business or customer of Franchisee's Restaurant or Franchisor to any competitor, by direct or indirect inducement or otherwise or do or perform, directly or indirectly, any act which is or may be injurious or prejudicial to the goodwill associated with the Marks and the System.

Franchisee acknowledges and agrees that these restrictions shall also apply after the consummation of any transfers, as provided in Section 15.3 below.

At Franchisor's request, Franchisee must also require its Designated Manager(s) to enter a non-competition agreement with Franchisee which will restrict said Designated Manager(s) from having any direct or indirect involvement (as referenced above) in connection with, any Competing Business (as defined above) wherever located, during the term of the Franchise Agreement and any renewal or extension thereof. Franchisee shall be responsible for ensuring that the terms and conditions relating to these restrictive covenants are reasonable and enforceable under applicable state law where Franchisee operates its Franchised Business. Any such agreement must be in a form satisfactory to Franchisor and must identify Franchisor as a third-party beneficiary with the independent right to enforce the agreements. At Franchisor's request, a copy of these signed agreements must be provided to Franchisor.

c) Reasonableness of Restrictions. The parties acknowledge and agree that the time and geographical limitations set forth in this Section 7.8 are reasonable and do not impose a greater restraint than is necessary to protect Franchisor's goodwill or other business interests, in the event that this Agreement expires or is terminated for any reason. The parties agree that each of the covenants herein shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, then Franchisee shall submit to the reduction of any such activity, time period or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

d) Injunctive Relief. Franchisee agrees that the provisions of this Section 7.8 are necessary to protect Franchisor's and Franchisor's affiliates' legitimate business interests, including, without limitation, the protection of the Proprietary Marks, System, brand and Confidential Information; the assurance of Franchisor's ability to maintain and regain the goodwill of the brand; the assurance that franchisees can depend on the enforcement of the covenants not to compete contained in its franchise agreements; and Franchisor's ability to award franchises. Franchisee agrees that monetary damages alone cannot adequately compensate Franchisor if Franchisee violates this Section 7.8 and that injunctive relief is essential for the protection of Franchisor and its affiliates. Franchisee and Franchisee's Principals

accordingly consent to the issuance of an injunction prohibiting any conduct by Franchisee and Franchisee's Principles in violation of the terms of this Section. Franchisee and Franchisee's Principles agree to pay all court costs and reasonable attorneys' fees incurred by Franchisor in connection with the enforcement of this Section, including payment of all costs and expenses for obtaining specific performance of, or an injunction against violation of, the requirements of such Section.

## ARTICLE VIII: TRAINING AND ASSISTANCE

### 8.1 Initial Training

Franchisee acknowledges and agrees that, within approximately One Hundred Twenty (120) days prior to the opening of the Restaurant, Franchisee, Franchisee's Restaurant Manager and five (5) other managers for the Restaurant (collectively, the "Managers") will travel to a certified training center designated by Franchisor (which may include Franchisor's headquarters (currently in Florida) or another certified training center location designated by Franchisor) in order to participate in, and successfully complete to Franchisor's satisfaction, Franchisor's initial training program and which will pertain to the operation and administration of the Franchised Business which may include, without limitation, sales and marketing methods; financial controls; maintenance of quality standards; operational procedures; customer service techniques; record keeping; and reporting procedures and other operational issues ("Initial Training Program"). Franchisee may, but is not required, to bring Franchisee's Designated Manager to attend the Initial Training Program. Franchisor shall not charge tuition or similar fees for initial training with the exception of $250 per week/per trainee for costs associated with their training on-site at another franchised location that will be paid to that training store. The Initial Training Program will be in the duration designated by Franchisor. As of April 2026, each of the Managers must complete a minimum of 10 weeks of initial training to Franchisor's satisfaction. All expenses incurred by Franchisee ("Employee Expenses") in attending such program including, but not limited to, travel costs, room and board expenses and employees' salaries, shall be the sole responsibility of Franchisee. If Franchisee wishes to send additional employees to Franchisor's initial training program, whether before the Restaurant opens or while the Restaurant is operating, Franchisee shall be responsible for paying all Employee Expenses which are incurred. Franchisee shall be responsible for training its management and other employees. If Franchisee's Managers do not successfully complete the required Initial Training Program, they will not be permitted to participate in the operations of the Franchisee's Restaurant and Franchisor will have the right to terminate this Agreement as provided for in Section 16.2 of this Agreement. After the Franchisee's Managers successfully complete the Initial Training Program, they are required to work at the Restaurant for a minimum of thirty (30) days prior to the opening of the Restaurant. Franchisee shall be responsible for training all of its other staff members and employees at Franchisee's sole expense.

### 8.2 Opening Assistance

In conjunction with the beginning of the Restaurant's operations, and for approximately seventeen (17) days surrounding the opening of the Restaurant (the exact number of representatives and the amount of time spent will be at our sole discretion). (i.e., before and after the Restaurant's

opening), Franchisor shall provide Franchisee with an opening team ("Opening Team") of trained representatives experienced in the System (which is anticipated to consist of employees of one or more operational Ford's Garage Restaurants), for the purpose of familiarizing Franchisee's staff with the Ford's Garage Restaurant System techniques and for the purpose of providing on-site pre-opening and opening training, supervision, and assistance to Franchisee. The size and precise make-up of the Opening Team and the specific number of days that the Opening Team will spend at the Restaurant is at sole discretion of Franchisor. Franchisee shall be responsible for and shall reimburse Franchisor or its designee (which may include the System franchisee that employs the Opening Team) for the various expenses that incurred in connection with sending the Opening Team while providing Franchisee with assistance in connection with the grand opening of Franchisee's Restaurant ("Opening Team Expenses"). Franchisee shall also be responsible for all wages, employer taxes, and benefits of Franchisee's employees during this period (including all hourly staff). Franchisee acknowledges and agrees that it will reimburse the franchisee(s) that employs the Opening Team (the "Home Location") directly for the Opening Team Expenses, unless otherwise designated in writing by Franchisor. The Opening Team Expenses include, but are not limited to, the pro-rated salaries of the Home Location's personnel paid on a weekly payroll, along with the costs of their travel, lodging and meals. While the total amount of the Opening Team Expenses is difficult to calculate, Franchisor estimates that the Opening Team Expenses will be approximately between $100,000.00 and $150,000.00. If, during the term of this Agreement, Franchisee requests additional assistance with respect to the opening or continued operation of Franchisee's Restaurant, and should Franchisor deem it necessary and appropriate to comply with such request, Franchisee shall pay Franchisor's then-current per diem fee for each representative Franchisor provides, and Franchisee is responsible for any expenses Franchisor's representatives incur for providing such additional assistance, such as, the costs of travel, lodging, and meals. If Franchisee is opening Franchisee's second or later Restaurant, Franchisor reserves the right to reduce the amount of assistance provided.

### 8.3 Failure to Complete Initial Training Program

If Franchisor determines that the Restaurant Manager is unable to satisfactorily complete the Initial Training Program described above, Franchisor has the right to terminate this Agreement. If Franchisee is a business entity and the Restaurant Manager or another Manager fails to complete the Initial Training Program to Franchisor's reasonable satisfaction, Franchisee may be permitted to select one substitute manager and such substitute Restaurant Manager or other Manager must complete the Initial Training Program to Franchisor's satisfaction, and Franchisee shall be responsible for paying all Employee Expenses which are incurred. Franchisor shall have the right to approve or deny approval of any proposed Restaurant Manager or other Manager.

### 8.4 New Designated Manager or Restaurant Manager

After beginning operations, should Franchisee name a new Designated Manager or Restaurant Manager, Franchisee must notify Franchisor of the identity of the new Designated Manager or Restaurant Manager. and the new Designated Manager or Restaurant Manager may be required to complete the initial training program to Franchisor's satisfaction within sixty (60) days of being named. The new Designated Manager or Restaurant Manager may attend the initial training program without charge, provided that Franchisor has the right to require

Franchisee to pay the costs of training if Franchisor determines that manager changes are excessive or caused by poor hiring practices. Franchisee shall be responsible for all Employee Expenses which are incurred in connection with the new Designated Manager's or Restaurant Manger's attendance at such training. Franchisor shall have the right to approve or deny any new Designated Manager or Restaurant Manager.

### 8.5 Ongoing Training

From time to time, Franchisor may provide and if it does, has the right to require that the Designated Manager, Restaurant Manager, or any other Manager attend ongoing training programs or seminars during the term of this Agreement. Franchisor shall not charge a fee for any mandatory ongoing training. Franchisee shall be responsible for all Employee Expenses which are incurred in connection with the Designated Manager and/or Restaurant Manager's and or Franchisee's (e.g., its operating principal) attendance at such training.

## ARTICLE IX : FRANCHISE SYSTEM

### 9.1 Uniformity

Franchisee shall strictly comply and shall cause the Franchised Business and its employees to strictly comply, with all requirements, specifications, standards, operating procedures and rules set forth in this Agreement, the Operations Manual and other communications supplied to Franchisee by Franchisor.

### 9.2 Modification of the System

Franchisor has the right to change or modify the System from time to time including, without limitation, the adoption and use of new or modified Marks or copyrighted materials, and computer hardware, software, equipment, inventory, menu items, supplies and/or sales and marketing techniques. Franchisee shall accept and use any such changes in, or additions to, the System as if they were a part of this Agreement as of the Effective Date. Franchisee shall make such expenditures as such changes, additions or modifications in the System may reasonably require. Any required expenditure for changes or upgrades to the System shall be in addition to expenditures for repairs and maintenance as required in Section 12.4. Notwithstanding the foregoing, Franchisee shall be required to make any and all improvements or modifications whenever such are required by law, regulation, agency decision or court order.

### 9.3 Variance

Franchisor has the right to vary standards or specifications for any franchisee based upon that particular franchisee's qualifications, the peculiarities of the particular site or circumstances, the demographics of the trade area, business potential, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of any particular Franchised Business. Franchisor shall not be required to disclose or grant to Franchisee a like or similar variance granted to another franchisee.

## ARTICLE X: ADVERTISING AND PROMOTIONAL ACTIVITIES

### 10.1 Grand Opening Advertising

Franchisor may, upon written notice, require Franchisee to conduct a grand opening advertising campaign announcing and promoting the grand opening of the Restaurant. If required, the grand opening advertising campaign must be conducted in the time period specified by Franchisor but generally is to be within the thirty (30) day period leading up to the date of Franchisee's scheduled opening and continuing for the thirty (30) day period after the Restaurant opens for business. Franchisor may require Franchisee shall spend an amount specified by Franchisor on local advertisement and promotion of the initial opening, which amount will not be less than $5,000 if this Agreement is for the right to open and operate a new Restaurant, and not less than $10,000 if Franchisee is converting an existing restaurant to a franchised Restaurant this Agreement is for the right to open and operate a conversion Restaurant ("Grand Opening Advertising"). Franchisor shall determine and specify an appropriate minimum amount which Franchisee shall be required to expend on Grand Opening Advertising based upon Franchisor's general assessment of the area surrounding the Franchised Business and taking into account other potentially relevant factors, such as prevailing costs of advertising in the area, the time of year of opening and other similar factors. Further, Franchisor shall specify the time at which Franchisee shall conduct Grand Opening Advertising. Prior to their use, all materials to be used in Grand Opening Advertising must be approved by Franchisor through the process set forth in Section 10.2(ii). Grand Opening Advertising expenditures shall be in addition to any Local Advertising expenditures and National Marketing Fund Contributions. If Franchisor requires Franchisee to pay Franchisor the money for Franchisee's grand opening advertising campaign, the amount due will be payable forty-five (45) days prior to Franchisee opening the Restaurant.

### 10.2 Local Advertising

Each month Franchisee must spend one-half percent (0.5%) of Franchisee's monthly Gross Sales on advertising, promotions and public relations within Franchisee's Protected Territory. Franchisor reserves the right to increase the Local Advertising expenditure to an amount of up to one percent (1%) of Franchisee's monthly Gross Sales, effective upon notice to Franchisee. Franchisee must provide Franchisor with an advertising expenditure report within thirty (30) days after the end of each quarter to prove that Franchisee has complied with the local minimum advertising requirements. Franchisee may conduct advertising or promotion for the Restaurant if Franchisor has approved Franchisee's advertising and promotion concepts, materials and media. Any advertising that Franchisee proposes to use that has either not been prepared by Franchisor or has not been approved by Franchisor in the immediately preceding 12-month period must be submitted to Franchisor for our approval before Franchisee may use it. Franchisor will have twenty (20) days after receipt of all materials to either approve or disapprove of Franchisee's proposed advertising materials. Unless Franchisor provides Franchisor's specific approval of the proposed advertising materials, the materials are deemed not approved. Any materials Franchisee submits to Franchisor for our review will become Franchisor's property, and there will be no restriction on Franchisor's use or distribution of these materials.

a) Franchisee shall submit to Franchisor, for its prior approval, all advertising and promotional materials to be used by Franchisee including, but not limited to, television ads, radio ads, ad copy, coupons, flyers, scripts, specialty menus or promotions, and direct mail. Franchisor shall use reasonable efforts to provide notice of approval or disapproval within twenty (20) days from the date all requested material is received by Franchisor. Franchisor's approval of Franchisee's proposed advertising may be withheld for any or no reason. If Franchisor does not respond within twenty (20) days following its receipt of Franchisee's proposed advertising material(s), then Franchisor's approval shall be deemed withheld and the proposed advertising material(s) not approved. Franchisee shall not use any marketing or promotional material prior to approval by Franchisor or which would harm the company's family friendly brand. Franchisee's advertising shall comply with any applicable laws and regulations, or contain required disclosures, that govern or are applicable to the restaurant industry. The submission of advertising materials to Franchisor for approval shall not affect Franchisee's right to determine the prices at which Franchisee sells products or provides services.

b) Notwithstanding the foregoing, Franchisee may not use any advertising material approved by Franchisor if Franchisor's approval took place more than twelve (12) months prior to the proposed use. In such event, Franchisee must resubmit such advertising material for Franchisor's approval. Franchisee acknowledges that Franchisor's approval or rejection of Franchisee's proposed advertising will not give rise to any liability on Franchisor's part and Franchisee, therefore, waives any possible claims against Franchisor to the contrary.

### 10.3 National Marketing Fund

Franchisor established a National Marketing Fund (the "National Marketing Fund" or the "Fund"), for the enhancement and protection of the Ford's Garage brand and Marks, and to advertise the System and the products offered by System Restaurants. Franchisee must contribute one percent (1%) (or other amount as determined by Franchisor) of Franchisee's monthly Gross Sales to the National Marketing Fund, which is payable on a weekly basis (see Item 6). Any System Restaurants owned by Franchisor or its affiliates or that Franchisor or its affiliates may establish and operate in the future will contribute to the National Marketing Fund on the same basis. Franchisor reserves the right to increase the National Marketing Fund contribution to an amount of up to two and one-half percent (2.5%) of Franchisee's Gross Sales, effective on notice to Franchisee.

Franchisor will direct all advertising programs and control the creative concepts, materials and media used and their placement and allocation. The National Marketing Fund is intended to enhance the general public's recognition of the brand and its acceptance and use of the System. Franchisor is not obligated, in administering the Fund, to make expenditures for Franchisee that are equivalent or proportionate to Franchisee's contributions, or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the National Marketing Fund. Franchisor may use the National Marketing Fund for national, regional and local marketing programs that Franchisor deems necessary, and Franchisor has no obligation to spend any amount on advertising in the area where Franchisee is located. Franchisee agrees to contribute as described in Section 3.3. The National Marketing Fund shall be maintained and administered by Franchisor or its designee as follows:

a) Franchisor or its designee shall oversee all marketing programs, with sole control over creative concepts, materials and media used in such programs, and the placement and allocation thereof. Franchisor does not warrant that any particular franchisee will benefit directly or *pro rata* from expenditures by the National Marketing Fund. The program(s) may be local, regional or System-wide. Franchisor does not warrant the success or effectiveness of any particular marketing program.

b) Franchisor or its designee will determine how and where the contributions to the National Marketing Fund will be spent. This includes Franchisor's right to purchase and pay for production development, production materials, ad slicks, media advertising, brochures, radio and television commercial production costs, services provided by advertising agencies, signs, public relations, telemarketing, direct mail advertising, e-mail advertising, promotional programs, advertising market research, graphics and design costs, creation, maintenance and enhancement of an Internet Website, Internet costs, social media programs, reputation management programs, cellular telephone and smartphone media programs, advertising at sports events, mailers, door hangers, freestanding inserts/coupons, brochures and sponsorships, software development and upgrades, services provided by software affiliates or consultants, special event marketing costs, gift card program costs, miscellaneous marketing costs, technology costs, software development costs, hardware development costs, the costs incurred administering the Fund and such other costs and expenses as Franchisor deems appropriate and in the best interests of the System. All administrative and other costs associated with or incurred in the administration of the National Marketing Fund including, but not limited to, marketing, research and administrative personnel salaries, fringe benefits and travel costs, long distance telephone charges, accounting fees, collection costs (including attorneys' fees paid in collecting past due National Marketing Fund contributions) and office supplies will be paid from the National Marketing Fund. Franchisor does not have to spend the monies in the National Marketing Fund in any particular market.

c) Franchisee's National Marketing Fund Contributions may be used to meet the costs of, or to reimburse Franchisor for its costs of, producing, maintaining, administering and directing consumer advertising (including, without limitation, the cost of preparing and conducting television, radio, Internet, magazine, newspaper, and direct mail advertising campaigns and other public relations activities; developing and/or hosting an Internet web page or site and similar activities; employing advertising agencies to assist therein; and providing promotional brochures and other marketing materials to franchisees). All National Marketing Fund Contributions shall be maintained in a separate account from the monies of Franchisor and shall not be used to defray any of Franchisor's general operating expenses, except for such reasonable costs and expenses, if any, that Franchisor may incur in activities reasonably related to the administration of the National Marketing Fund, the costs incurred in administering the Fund and such other costs and expenses as Franchisor deems appropriate and in the best interests of the System.

d) Franchisor shall endeavor to spend all National Marketing Fund Contributions on marketing programs and promotions during Franchisor's fiscal year within which such contributions are made. If excess amounts remain in any National Marketing Fund at the end of such fiscal year, all expenditures in the following fiscal year(s) shall be made first

out of such excess amounts, including any interest or other earnings of the National Marketing Fund, and next out of prior year contributions and then out of current contributions.

e) Although Franchisor intends the National Marketing Fund to be of perpetual duration, Franchisor has the right to terminate the National Marketing Fund at any time. The National Marketing Fund shall not be terminated, however, until all National Marketing Fund Contributions have been expended for advertising and promotional purposes or returned to Franchisee and other franchisees on a *pro rata* basis based on total National Marketing Fund Contributions made in the aggregate by each franchisee. If Franchisor terminates the National Marketing Fund, we have the option to reinstate it at any time. If Franchisor reinstates it, it will be operated as described above.

f) Each franchised business operated by Franchisor or an Affiliate shall make National Marketing Fund Contributions at the same rate as Franchised Businesses.

g) An accounting of the operation of the National Marketing Fund shall be prepared annually and shall be available to Franchisee upon request. The financial statements of the National Marketing Fund will not be audited. However, the Franchisor retains the right to have the National Marketing Fund reviewed or audited and reported on, at the expense of the National Marketing Fund, by an independent certified public accountant selected by Franchisor.

h) Franchisee acknowledges that the National Marketing Fund is not a trust and Franchisor assumes no fiduciary duty in administering the National Marketing Fund.

### 10.4 Cooperative Advertising

Franchisor has the right, but not the obligation, to create a cooperative advertising program for the benefit of Restaurants located within a particular region. If a cooperative advertising program is established in Franchisee's region, Franchisee shall contribute to the cooperative an amount of up to 2% of Gross Sales; provided, however, Franchisee may be required to contribute more than 2% of Franchisee's Gross Sales to the cooperative if accepted by a majority vote of the regional cooperative. Notwithstanding the foregoing, in no event will the percentage of cooperative contributions exceed 5% of Franchisee's Gross Sales. Unless otherwise designated by Franchisor, the amounts Franchisee is required to pay to the cooperative will be due and payable at the same time and in the same manner as the Royalty Fee and National Marketing Fund contributions. Franchisor has the right to collect and designate all or a portion of the Local Advertising to payments or contributions to Franchisor for the funding of a cooperative advertising program. Franchisor has the right to determine the composition of all geographic territories and market areas for the implementation of each cooperative advertising program and to require that Franchisee participate in such cooperative advertising programs when established within the Franchisee's region. If a cooperative advertising program is implemented in a particular region, Franchisor has the right to administer the cooperative advertising program or to establish an advertising council of franchisees to self-administer the cooperative advertising program. Franchisee shall participate in the council according to the rules and procedures established by the council and Franchisee shall abide by the council's decisions. Should Franchisor establish a cooperative advertising program or programs with or without an advertising council, Franchisor has the right, but not the obligation, to change, dissolve, or merger such program(s) and/or council(s) at any time.

### 10.5 Advisory Council

Franchisor reserves the right, in its sole discretion, to form an advisory council (the "Advisory Council") to work with Franchisor to improve the System, the products and services offered by System Restaurants, advertising conducted by the National Marketing Fund, and any other matters that Franchisor deems appropriate. The Advisory Council will include franchisees, a representative of Franchisor and may include a consultant for Franchisor. If an Advisory Council is formed, it will act solely in an advisory capacity and will not have decision making authority. Franchisor will have the right to form, change, merge or dissolve any advisory council at any time. Franchisor will have the right to approve the policies and procedures of the Advisory Council, and Franchisee must comply with those policies and procedures.

### 10.6 Internet, Website and Social Media Marketing

As used in this Agreement, the term "Website" means an interactive electronic document, series of symbols, or otherwise, that is contained in a network of computers linked by communications software. The term Website includes, but is not limited to, Internet and World Wide Web home pages. In connection with any Website, Franchisee agrees to the following:

a) Franchisee may not establish a presence on, or market using, the Internet, any website or Social Media (Facebook, LinkedIn, Twitter, Instagram, YouTube, Periscope, Vine, blogs, and other online social networks, wikis, forums, content sharing communities, etc.) using the Marks or in connection with the System or Franchisee's Restaurant without Franchisor's prior written consent. If Franchisee is authorized to establish a Website, Franchisee shall comply with our policies, standards and specifications with respect to the creation, maintenance and content of any such Website. Franchisee shall grant Franchisor with administrative access to the account for Franchisee's approved Website. As set forth in Section 3.10 herein, Franchisor has the right to require Franchisee to pay to Franchisor or Franchisor's designee, Franchisor's then-current Website Fee, effective on notice to Franchisee. If required, the Website Fee will be due and payable in the manner designated by Franchisor and will not exceed $2,000 per year. The Website Fee shall be paid monthly and is subject to reasonable increases which shall not exceed 5% per year.

b) Franchisee shall not post (including tagging or commenting on posts and must take such steps necessary to ensure that Franchisee's employees and independent contractors do not post (including tagging or commenting on posts), any information to any social networking site, blog, forum or elsewhere to us, the System, the Marks, or the Franchised Business that: (i) does not comply with Franchisor's social networking guidelines described in the Operating Manuals, (ii) is derogatory, disparaging, or critical of Franchisee, Ford, the System, or the Marks, (iii) is offensive, inflammatory, or indecent, or (iv) harms the goodwill and/or public image of Ford, the System, or the Marks.

c) In the event that Franchisor notifies Franchisee in writing that it has engaged in any unauthorized use or activity relating to the Internet, any website or social media, Franchisee shall immediately cease any such activity and shall immediately remove any evidence of such unauthorized activity. In the event that Franchisee fails to do so, Franchisee hereby grants Franchisor with a power of attorney for the purpose of authorizing Franchisor (and its agents and designees) to

act on Franchisee's behalf and take any required action to prevent further unauthorized activity and remove any evidence of such unauthorized activity. This power of attorney shall survive the expiration or termination of this Agreement.

d) Pursuant to Sections 3.11 and 3.12 respectively, Franchisee agrees to pay Franchisor or Franchisor's designated vendor, Franchisor's then-current; (i) Social Media Fee for managing the social media presence for the Restaurant; and (ii) Reputation Management Fee for reviewing Internet reviews and websites and managing the reputation of the Restaurant.

e) Franchisor has established and maintains an Internet website at the uniform resource locator www.FordsGarageUSA.com that provides information about the System and the products and services that Franchisor and its franchisees provide. Franchisor may (but is not required to) include at the Ford's Garage website an intranet section or an interior page containing information about Franchisee's Restaurant. If Franchisor includes such information on the Ford's Garage website, Franchisor has the right to require Franchisee to prepare all or a portion of the section or page, at Franchisee's expense, using a Ford's Garage vendor that Franchisor provides and to pay reasonable, per page web hosting fees to Franchisor (or a third-party web hosting firm) on a monthly basis. All such information shall be subject to Franchisor's approval prior to posting.

f) Franchisor retains the sole right to advertise and sell the products and services offered by franchised businesses and to or use the Marks on the Internet, including the use of websites, domain names, uniform resource locators, keywords, linking, search engines (and search engine optimization techniques), Social Media pages, banner ads, meta-tags, marketing, auction sites, e-commerce and co-branding arrangements.

g) Franchisee may be requested to provide content for Franchisor's Internet marketing and shall be required to follow Franchisor's intranet and Internet usage rules, policies and requirements. Franchisor retains the sole right to approve any linking to, or other use of, the Ford's Garage website.

h) Franchisor shall have the right to modify the provisions of this Section 10.6 relating to the Internet, Websites and Social Media Marketing as Franchisor shall solely determine is necessary or appropriate.

## ARTICLE XI: ACCOUNTING, RECORDS AND REPORTING OBLIGATIONS

### 11.1 Records

During the term of this Agreement, Franchisee agrees to keep and maintain complete and accurate books and records of its transactions and business operations using the accounting procedures and chart of accounts specified by Franchisor. Franchisee agrees to purchase the Computer Systems specified in Section 12.8 to maintain the records and accounts of the Franchisee to the standards of the Franchisor. Franchisee acknowledges and agrees that the financial data of Franchisee's Franchised Business (i) is owned by Franchisor, (ii) is Franchisor's Proprietary Information, (iii) may be published in franchise disclosure document(s) issued by Franchisor following the Effective Date hereof, and (iv) may be shared with other franchisees in the System.

### 11.2 Gross Sales Reports

Franchisee shall maintain an accurate record of daily Gross Sales and upon Franchisor's request, provide a verified statement of monthly Gross Sales ("Gross Sales Report") within ten (10) days of such request. in a form that Franchisor approves or provides in the Operations Manual.

### 11.3 Financial Statements

In addition to the reports Franchisee must remit to Franchisor under Article III and Section 11.2 above, Franchisee shall remit to Franchisor, in the manner and format that Franchisor periodically prescribes, the following:

a) On or before the twenty eighth day ($28^{th}$) day of each month following the close of a quarter, in a form approved by Franchisor, a balance sheet as of the end of the last day of the preceding month and an income statement for the preceding quarter and the fiscal year-to-date.

b) Within ninety (90) days after the end of Franchisee's fiscal year, Franchisee shall provide to Franchisor, at Franchisee's expense, a complete annual financial statement for the calendar year just ended and a balance sheet as of the last day of Franchisee's fiscal year. Franchisor reserves the right to require such financial statements to be audited by an independent competent accountant satisfactory to Franchisor at Franchisee's cost and expense if an inspection discloses an understatement of payments due to Franchisor of three percent (3%) or more on an annualized basis, pursuant to Section 11.5.

c) Within ten (10) days after filing thereof, exact copies of federal and state income and other tax returns and any other forms, records, books and other information Franchisor may periodically request relating to the Restaurant.

d) Upon Franchisor request a copy of Franchisee's general ledger for the preceding quarter.

Such financial statements shall be prepared and applied on a consistent basis. As required by Franchisor, such financial statements shall be reviewed or audited by a competent accountant. Franchisee shall submit to Franchisor such other periodic reports in the manner and at the time specified in the Operations Manual or otherwise in writing.

### 11.4 Other Reports

Franchisee shall submit to Franchisor copies of all state sales tax returns that are required to be filed with the appropriate governmental agency and such other records as Franchisor may reasonably request from time to time or as specified in the Operations Manual. Franchisor shall have the right to release financial and operational information relating to the Franchised Business to Franchisor's lenders and investors or prospective lenders or investors. Franchisee shall certify as true and correct all reports to be submitted pursuant to this Agreement.

### 11.5 Right to Inspect Franchisee's Books and Financial Records

Franchisor or its designee has the right, during normal business hours, to examine, copy and audit the books, records and tax returns of Franchisee. If the audit or any other inspection should reveal that any payments to Franchisor have been underpaid, then Franchisee shall immediately pay to Franchisor the amount of the underpayment plus interest from the date such amount was due until paid at the rate of the lesser of: (i) eighteen percent (18%) per annum; (ii) or the highest rate allowed by the law of the state where Franchisee is located. If the audit or any other inspection discloses an underpayment of three percent (3%) or more, an annualized basis, of the amount due for any period covered by the audit, Franchisee shall, in addition to paying Franchisor the amount of any such underpayment, reimburse Franchisor for any and all costs and expenses connected with the inspection (including, without limitation, travel expenses and reasonable accounting and attorneys' fees). The foregoing remedies shall be in addition to any other remedies Franchisor may have.

### 11.6 Release of Records

At Franchisor's request, Franchisee shall authorize and direct any third parties, including accounting and legal professionals, to release to Franchisor all accounting and financial records arising from or relating to the operation of the Franchised Business including, but not limited to, records evidencing Gross Sales, profits, losses, income, tax liabilities, tax payments, revenues, expenses, and any correspondence, notes, memoranda, audits, business records, or internal accounts within said third parties' possession, custody or control, and to continue to release such records to Franchisor on a monthly basis for the length of the unexpired term of this Agreement or until such time as Franchisor withdraws its request. Franchisee shall execute all documents necessary to facilitate the release of records referenced herein to Franchisor. Franchisor shall use its commercially reasonable efforts to ensure and maintain the confidentiality of Franchisee's records.

### 11.7 Correction of Errors

Franchisee acknowledges and agrees that Franchisor's receipt or acceptance of any of the statements furnished or royalties paid to Franchisor (or the cashing of any royalty checks or processing of any EFTs) shall not preclude Franchisor from questioning the correctness thereof at any time. In the event that any inconsistencies or mistakes are discovered in such statements or payments, such inconsistencies or mistakes shall immediately be rectified by Franchisee and the appropriate payment shall be made by Franchisee.

### 11.8 Franchisor is Attorney-in-Fact

Franchisee hereby appoints Franchisor as Franchisee's true and lawful attorney-in-fact with full power and authority, for the sole purpose of obtaining any and all returns and reports filed by Franchisee with any state and/or federal taxing authority pertaining to the Franchised Business. This power of attorney shall survive the expiration or termination of this Agreement.

## ARTICLE XII: STANDARDS OF OPERATION

### 12.1 Ownership and Management

Franchisee acknowledges that it is a material consideration for Franchisor in granting this franchise that Franchisee and/or Franchisee's Designated Manager shall devote sufficient time, attention, and energies to the day to day management and performance of Franchisee's duties in connection with the Franchised Business operations and shall not, either directly or indirectly, alone or in association with others, be connected with or concerned in any other business, competing or noncompeting, during the term of this Agreement (or any extension thereof). The Franchised Business shall, at all times, be under the direct supervision of Franchisee (or if Franchisee is an entity, Franchisee's principals) who will appoint a Designated Manager that will provide personal "on premises" supervision of the Franchised Business. If Franchisee is an individual, Franchisee must serve as the Designated Manager and if Franchisee is an entity, Franchisee must designate an individual to serve as the Designated Manager. Franchisor highly recommends that Franchisee's Designated Manager, as an individual, have an ownership interest in the entity Franchisee. Franchisee's Designated Manager shall be identified on Attachment 1 to this Agreement. If Franchisee's Designated Manager changes at any time during the term of this Agreement, Franchisee shall promptly notify Franchisor and provide Franchisor with the replacement Designated Manager's name and contact information.

In addition to the Designated Manager, Franchisee must hire a manager (the "Restaurant Manager") to provide personal onsite supervision over the operations of the Restaurant. The Restaurant Manager is not required to hold an ownership interest in the Franchisee entity. Either the Designated Manager or Restaurant Manager is required to devote sufficient efforts to the management of the day-to-day operation of the Franchised Business, which shall entail not less than forty (40) hours per week, excluding vacation, sick leave and similar absences. Franchisee shall keep Franchisor informed, in writing, at all times of the identity of its Designated Manager and the Restaurant Manager. Franchisee, the Designated Manager, and Restaurant Manager must not engage in any business or other activities that will conflict with their obligations under this Agreement. If Franchisee owns more than one (1) Franchised Business, a Restaurant Manager must be employed for each Franchised Business. Any Designated Manager /Restaurant Manager or successor Designated Manager /Restaurant Manager must successfully complete the Initial Training Program conducted by Franchisor before starting work in the Franchised Business.

### 12.2 Compliance with Franchisor's Quality and Service Standards

Franchisor has developed and may continue to develop uniform standards of quality, cleanliness and service regarding the business operations of the Franchised Business to protect and maintain (for the benefit of Franchisor and all of its franchisees) the distinction, valuable goodwill and uniformity represented and symbolized by System Restaurants, the Marks and the System. Franchisee acknowledges that the quality of customer service, and every detail of appearance and demeanor of Franchisee and its employees, is material to this Agreement and the relationship created and licenses granted hereby. Therefore, Franchisee agrees to operate Franchisee's Franchised Business in strict conformance with the System and the other uniformity and quality standards required by Franchisor pertaining to the sale of products and services.

The Franchised Business shall in all dealings with its customers, vendors and the general

public, adhere to the highest standards of honesty, fair dealing and ethical conduct. If Franchisor deems that Franchisee did not fairly handle a customer complaint, Franchisor has the right to intervene and satisfy the customer. If an activity or media event occurs at the Franchised Business, with the Franchisee, employees of the Franchised Business or people affiliated with the franchise which negatively effects the Ford's Garage brand, Franchisee is required to notify Franchisor immediately to help with damage control and the official company position to the media. Franchisor will take disciplinary action by giving written notice for failing to comply with Franchisor's business practices. Termination will occur after two (2) notices have been issued within any twelve (12) month period. Franchisee shall reimburse Franchisor for all costs incurred by Franchisor in servicing a customer of the Franchised Business pursuant to this Section.

### 12.3 Appearance and Condition of Restaurant

Franchisee shall maintain the condition and appearance of the Restaurant (including any parking area) and the operating assets in accordance with Franchisor's System standards and consistent with the image of a Ford's Garage Restaurant as an efficiently operated business offering high quality products and services and observing the highest standards of cleanliness and efficient, courteous service. In connection therewith, Franchisee shall make such additions, alterations, repairs and replacements thereto (but no others without Franchisor's prior written consent) as may be required for that purpose, including, without limitation, such periodic repainting or replacement of obsolete signs, furnishings, equipment and décor, as Franchisor may reasonably direct in order to maintain System-wide integrity and uniformity. Franchisee shall also obtain, at Franchisee's cost and expense, any new or additional equipment, fixtures, supplies and other products and materials which may be reasonably required by Franchisor for Franchisee to offer and sell new menu items from the Restaurant or to provide the Restaurant services by alternative means, such as through catering or delivery arrangements. Except as may be expressly provided in the Operations Manuals, no material alterations or improvements or changes of any kind in design, equipment, signs, interior or exterior décor items, fixtures or furnishings shall be made in or about the Restaurant or its premises without our prior written approval.

### 12.4 Renovations and/or Redecoration of Restaurant

Franchisee shall, upon Franchisor's request, renovate and/or redecorate the Restaurant premises, and update and/or upgrade the equipment (including point of sale or computer hardware and software systems), signs, interior and exterior décor items, fixtures, furnishings, supplies and other products and materials required for the operation of the Restaurant to reflect the then-current image of a Ford's Garage Restaurant and conform to Franchisor's then-current design, technology, standards and other specifications. Franchisee shall be required to refresh the Franchised Business's premises, furniture, fixtures, and other décor items seven (7) years after opening the Franchised Business and a full remodel on the fourteen (14) year anniversary of the opening date of the Franchised Business.

Notwithstanding the foregoing, if renovations and/or redecorations are required for the Restaurant, Franchisor will not obligate Franchisee to make any such renovations or modifications in the last eighteen (18) months of Franchisee's lease or franchise term. However, in the event that Franchisee renews the lease for the site of the Franchised Business or this Franchise

Agreement (as the case may be), Franchisee will be required to make the necessary renovations and upgrades within six (6) months of Franchisee's lease or Franchise Agreement renewal.

### 12.5 Menu and Food Preparation

Franchisee shall operate the Restaurant in strict conformity with Franchisor's methods, standards and specifications set forth in the Operations Manual and as Franchisor may, from time to time, otherwise prescribe in writing. To ensure that the highest degree of quality and service is maintained, Franchisee agrees:

a) Franchisee will only sell or offer for sale all menu items, products and services required by Franchisor only as expressly authorized or approved by Franchisor in writing in the Operations Manuals or otherwise by Franchisor in writing.

b) Franchisor may, from time to time, in its sole discretion, add or delete menu items, products, merchandise or services, and Franchisee agrees to immediately add or discontinue selling and offering for sale any such menu items, products or services.

c) Franchisee shall maintain a sufficient supply of the food and beverage items, ingredients, products, materials, supplies and paper goods that conform to Franchisor's standards and specifications and meet the demand of Franchisee's customers;

d) Franchisee shall prepare all menu items in accordance with Franchisor's recipes and procedures for preparation contained in the Operations Manuals or other written directives;

e) Franchisee shall not, without Franchisor's prior written consent, deviate from Franchisor's standards and specifications by the use or offer of non- conforming items or differing amounts of any items

f) Franchisee shall use Franchisor's standard menu format and appearance, as it may be amended, in the Restaurant; and

g) Franchisee shall permit Franchisor or its designees to remove, during normal business hours, a reasonable number of samples of food or non-food items from Franchisee's inventory or from the Restaurant, without payment therefore, in amounts reasonably necessary for testing by Franchisor or an independent laboratory to determine whether such samples meet Franchisor's then-current standards and specifications. In addition to any other remedies, Franchisor may have under this Agreement, require Franchisee to bear the cost of such testing if the supplier of the item has not previously been approved by Franchisor, or if the sample fails to conform with Franchisor's reasonable specifications.

### 12.6 Authorized Products, Services and Suppliers

a) Franchisee acknowledges that the reputation and goodwill of the System is based in large part on offering high quality products and services to its customers. Accordingly, Franchisee agrees that Franchisee: (a) will offer and sell from the Business only the products and

services that Franchisor specifies and that comply with Franchisor's specifications and quality standards;

(b) will not offer or sell at the Restaurant any products or services Franchisor has not authorized; and (c) will discontinue selling and offering for sale any products or services that Franchisor at any time disapproves.

b) Franchisor reserves the right to periodically designate and approve standards, specifications, suppliers and/or distributors of the operating assets and the products and services that Franchisee will use in connection with the operation of Franchisee's Restaurant. Franchisor shall provide Franchisee, in the Operations Manual or other written or electronic form, with a list of specifications and a list of Approved Suppliers for some or all of the supplies, signs, furniture, fixtures, inventory, equipment and other approved or specified items and services. Franchisor shall also provide Franchisee with a list of specific brands of equipment that Franchisee may purchase from any vendor. Franchisor may from time-to-time issue revisions to such lists. Franchisee shall not offer for sale, sell or provide through the Franchised Business or from the Approved Location any products or services that Franchisor has not approved. Franchisor may revoke its approval of any item, service or supplier at any time by notifying Franchisee and/or the supplier. Franchisee shall, at its own expense, promptly cease using, selling or providing any items or services disapproved by Franchisor and shall promptly cease purchasing from suppliers disapproved by Franchisor.

c) If Franchisee desires to utilize any products or services that Franchisor has not approved (for products and services that require supplier approval), Franchisee shall first send Franchisor sufficient information, specifications and samples for Franchisor to determine whether the service or product complies with its standards and specifications or whether the supplier meets its Approved Supplier criteria. Franchisee shall bear all expenses incurred by Franchisor in connection with determining whether it shall approve an item, service or supplier. Franchisor will decide within a reasonable time (usually forty-five (45) days) after receiving the required information whether Franchisee may purchase or lease such items or services from such supplier. Approval of a supplier may be conditioned on the supplier's ability to provide sufficient quantity of product; quality of products or services at competitive prices; production and delivery capability; and dependability and general reputation. Franchisor has the right to inspect the proposed supplier's or distributor's facilities and to require the proposed supplier or distributor to deliver product samples or items, at Franchisor's option, either directly to Franchisor or to any independent, certified laboratory which Franchisor designates for testing. Franchisor reserves the right periodically to re-inspect the facilities and products of any approved supplier or distributor and to revoke our approval if the supplier or distributor does not continue to meet Franchisor's criteria. Nothing in this Section shall be construed to require Franchisor to approve any particular supplier, or to require Franchisor to make available to prospective suppliers, standards and specifications that Franchisor deems confidential.

d) If Franchisor or an Affiliate is an Approved Supplier, Franchisee shall execute a standard form purchase or supply agreement for the items to be supplied by Franchisor or its Affiliate.

e) Franchisor has the right to designate certain products and services, not

otherwise authorized for general use as part of the System, to be offered locally or regionally based upon such factors as Franchisor determines including, but not limited to, franchisee qualifications, test marketing and regional or local differences. Franchisor has the right to give its consent to one (1) or more franchisees to provide certain products or services not authorized for general use as part of the System. Such consent will be based upon the factors set forth in Section 12.6(c) and shall not create any rights in Franchisee to provide the same products or services.

f) Franchisee acknowledges that Franchisor or its Affiliates may receive commissions, volume discounts, purchase discounts, performance payments, bonuses, rebates, markups, marketing and advertising allowances, co-op advertising, administrative fees, enhancements, price discounts, economic benefits and other payments ("Supplier Payments") based upon purchases of operating assets and services from Approved Suppliers, Franchisor and its Affiliates, and/or other suppliers, vendors and distributors (collectively "Suppliers" or "Supplier"). Franchisee agrees that any Supplier Payments received by Franchisor from any Suppliers as a result of or based on the Franchisee's purchases from those Suppliers shall be retained by Franchisor to be used in the manner determined by Franchisor, in its sole discretion. Franchisee shall have no entitlement to or interest in any such benefits.

### 12.7 Unapproved Products and Services

Should Franchisee sell any food, beverage, products or logoed merchandise or perform any services that Franchisor has not prescribed, approved or authorized, Franchisee shall, immediately upon notice from Franchisor: (i) cease and desist offering, selling or providing the unauthorized or unapproved food, beverage, product, premium, logoed merchandise or from performing such services and (ii) pay to Franchisor, on demand, a fine equal to Three Hundred Dollars ($300) per day for each day such unauthorized or unapproved food, beverage, product, logoed merchandise or service is offered or provided by Franchisee after written notice from Franchisor. The fine shall be in addition to all other remedies available to Franchisor under this Agreement or at law.

### 12.8 Computer System

a) Franchisee will, at Franchisee's sole expense, lease or purchase and install the computer hardware, software, point-of-sale systems, accounting and inventory control systems, computer peripherals, etc. (collectively, the "Computer System") for the administrative operation of the Franchised Business that meet the specifications set forth in the Operations Manual, or such other written notifications that Franchisor may give to Franchisee. Franchisor shall have full access to all of Franchisee's Computer System and all related information by means of direct access, either in person or by telephone, modem or Internet to permit Franchisor to verify Franchisee's compliance with its obligations under this Agreement.

b) Franchisor reserves the right to modify its specifications for the Computer System and/or other technological developments or events, which may require Franchisee to purchase, lease and/or license new or modified, equipment, computer hardware and/or software and to obtain service and support for the Computer System. Although Franchisor cannot estimate the future costs of the Computer System, Franchisee agrees to incur the costs of obtaining the

equipment or the computer hardware and software comprising the Computer System (or additions or modifications), along with the required service or support. Franchisor has no obligation to reimburse Franchisee for any Computer System costs. Within thirty (30) days upon receipt of notice from Franchisor of a modification of the Computer System, Franchisee agrees to obtain the components of the Computer System that Franchisor designates and to ensure that Franchisee's Computer System is functioning properly.

c) Notwithstanding the fact that Franchisee must buy, use, install and maintain the Computer System in accordance with Franchisor's standards and specifications as outlined in the operations manual, Franchisee shall have sole and complete responsibility (including, without limitation, responsibility for the cost thereof) for: (i) the acquisition, operation, maintenance and upgrading of the Computer System; (ii) the manner in which Franchisee's Computer System interfaces with Franchisor's computer system and those of other third parties; and (iii) any and all consequences that may arise if the Computer System is not properly installed, operated, maintained and upgraded. Franchisee must purchase ongoing maintenance or support agreements for the maintenance of Franchisee's computer system. If Franchisee opts not to use us or Franchisor's affiliate AVIT for POS/IT install and support services, Franchisee still must choose Franchisee's services provider from the list of approved suppliers or request that Franchisor approve an outside services provider that Franchisee prefers to use. Franchisor cannot estimate the cost of a maintenance contract for Franchisee's computer, since the cost will depend on the type and extent of maintenance Franchisee selects and the term of the contract.

d) Franchisee shall comply with Franchisor's standards for data backup, data recovery, data protection, PCI compliance, virus protection and other computer security procedures.

e) Franchisee agrees to maintain, at all times during the term of this Agreement, a high-speed internet connection and dedicated e-mail address.

### 12.9 Days of Operation

Franchisee shall keep the Franchised Business open for business during normal business hours on the days specified in the Operations Manual.

### 12.10 Compliance with Applicable Laws

a) Franchisee shall comply with all applicable federal, state, city, local and municipal laws, statutes, ordinances, rules and regulations pertaining to the development and operation of its Ford's Garage Restaurant including, but not limited to: (a) employment laws (including all wage and hour laws, employment laws, workers' compensation laws, discrimination laws, sexual harassment laws, disability and discrimination laws); (b) all governmental regulation relating to food handling and preparations: (c) federal, state and local occupational hazards and health laws and regulations; (d) applicable worker's compensation laws; (e) unemployment insurance laws; (f) federal, state and local zoning laws and regulations; and (g) tax laws (including those relating to individual and corporate income taxes, sales and use taxes, franchise taxes, gross receipts taxes, employee withholding taxes, F.I.C.A. taxes,

inventory taxes, personal property taxes and real estate taxes and federal, state and local income tax laws) Franchisor will have no liability for any taxes which arise or result from the Franchisee's Franchised Business and the Franchisee will indemnify Franchisor for any such taxes that may be assessed or levied against Franchisor which arise out of or result from the Franchisee's Franchised Business. If any "franchise" or other tax which is based upon the Gross Sales, receipts, sales, business activities or operation of the Franchisee's Franchised Business is imposed upon Franchisor by any taxing authority, then the Franchisee will reimburse Franchisor for all such taxes paid by Franchisor within ten (10) days after receiving an invoice from Franchisor for such taxes.

b) Franchisee will, at Franchisee's expense, be solely and exclusively responsible for determining the licenses, permits and certificates required by law for the Franchisee's Franchised Business, for obtaining and qualifying for all licenses and permits, and for compliance with all applicable laws by its employees, agents and independent contractors. Franchisor makes no representation to Franchisee with regard to any legal requirements that Franchisee must satisfy or comply with in connection with the operation of the Franchised Business. Franchisee shall be solely responsible for investigating and complying with all such laws, ordinances and regulations with regard to the operation of the Franchised Business.

c) Franchisee (including Franchisee's principals) agree to comply, and to assist Franchisor to the fullest extent possible in Franchisor's efforts to comply, with Executive Order 13224 issued by the President of the United States on September 23, 2001, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the 'USA Patriot Act"), and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war (collectively referred hereinafter as the "Anti-Terrorism Law. In connection with that compliance, Franchisee hereby represents, warrants, and certifies to Franchisor that neither Franchisee nor any of Franchisee's directors, managers, officers, shareholders, partners, members, employees, or agents, nor any of Franchisee's affiliates or directors, officers, shareholders, partners, members, employees, or agents, nor any other direct or indirect interest holders of any of the preceding:

(i) are or have been listed on any Government Lists (as defined below);

(ii) are or have been determined by competent authority to be subject to the prohibitions contained in Presidential Executive Order No 13224 (Sept 23, 2001), or any other similar prohibitions contained in the rules and regulations of OFAC (as defined below) or in any enabling legislation or other Presidential Executive Orders in respect thereof;

(iii) have been indicted for or convicted for any offenses under the USA Patriot Act; or

(iv) have no property or interests subject to being block under the Anti-Terrorism Laws.

For the purposes of this Section, "Government Lists" means any of the

following lists (1) the "Specially Designated Nationals and Blocked Persons List" maintained by OFAC; (2) any other list of terrorists, terrorist organizations, or narcotics traffickers maintained pursuant to any of the Rules and Regulations of OFAC; or (3) any similar list maintained by the United States Department of State, the United States Department of Commerce, or any other Governmental Authority, or pursuant to any Executive Order of the President of the United States of America. "OFAC" means the Office of Foreign Assets Control, United States Department of the Treasury, or any other office, agency, or department that succeeds to the duties of OFAC. "Governmental Authority" means all federal, state, national, territorial, county, local, foreign, or other governmental or regulatory agencies, authorities (including self-regulatory authorities), instrumentalities, commissions, boards, and bodies.

Any violation of the Anti-Terrorism Laws by Franchisee and Franchisee's principals, or any blocking of Franchisee's assets or the assets of Franchisee's principals under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement.

### 12.11 Hiring

Franchisee shall hire and train competent employees for the operation of the Restaurant and shall pay all wages, commissions, fringe benefits, workers' compensation premiums and payroll taxes (and other withholdings required by law) due to Franchisee's employees. Franchisee will be responsible for the operation of its Franchised Business, and will control, supervise and manage all the employees, agents and independent contractors who work for or with the Franchisee. Franchisee shall ensure that all personnel Franchisee employs must maintain the standards of appearance, manner and demeanor Franchisor establish in Franchisor's Operations Manual or otherwise. Franchisee shall conduct the training sessions, in-house meetings, electronic training programs or other such other programs that Franchisor may specify in its Operations Manual or otherwise (or as Franchisee, in Franchisee's reasonable business judgment, determines are necessary, appropriate and desirable) to inform Franchisee's management and employees of Franchisor's most current policies, techniques, procedures and standards. With respect to Franchisee's hiring of its personnel, Franchisee acknowledges and expressly agrees that: (i) Franchisee is the sole employer and Franchisor will not have any right, obligation or responsibility to control, supervise or manage Franchisee's employees, agents or independent contractors; (ii) Franchisor is not in any way involved in the employment matters concerning Franchisee's Restaurant; (iii) all personnel Franchisee hires are at-will employees of Franchisee's independently owned and operated Ford's Garage Restaurant; and (iv) Franchisee shall be responsible for making sure, during Franchisee's training of its employees, that all of Franchisee's employees are aware of and understand the foregoing.

### 12.12 Notification of Claims or Proceedings

Franchisee shall notify Franchisor in writing of the receipt of a notice of demand or threatened claim of liability of, or damages against or involving, Franchisee or the Franchised Business not more than five (5) days after Franchisee's receipts of such notice. Franchisee shall notify Franchisor in writing of the commencement of any action, suit or proceeding involving Franchisee or the Franchised Business, and of the issuance of any order, writ, injunction, judgment,

award or decree which may affect the operation or financial condition of the Franchised Business not more than five (5) days after notice of such commencement or issuance. Franchisee shall deliver to Franchisor not more than five (5) days after Franchisee's receipt thereof, a copy of any inspection report, warning, certificate or rating by any governmental agency relating to any health or safety law, rule or regulation that reflects Franchisee's failure to meet and maintain the highest applicable rating or Franchisee's noncompliance or less than full compliance with any applicable law, rule or regulation.

### 12.13 Work Apparel

Franchisee shall abide by any work apparel requirements stated in the Operations Manual or otherwise. Franchisee shall purchase all work apparel items from an Approved Supplier, as designated by Franchisor.

### 12.14 Gift Cards and Customer Loyalty Program

(a) Franchisee agrees to participate in Franchisor's designated Gift Card and Customer Loyalty (or rewards) programs. Franchisee further agrees to pay the then-current required fees with respect to these programs. Currently, the fees for participating in the Loyalty Program range between $300.00 and $1,500.00 per month and are presently covered by the National Marketing Fund, however Franchisor reserves the right to change this structure and require Franchisee to pay such fees directly to Franchisor effective on notice. Currently, the fees to participate in the Gift Card program range between $250.00 and $1,000.00 per year. Franchisee must pay these fees directly to Franchisor, Franchisor's Affiliate, or Franchisor's designee. Franchisee shall sell or otherwise issue gift cards or certificates (together "Gift Cards"), including any ancillary envelopes, card carriers, and other related promotional materials Franchisor designates, that have been prepared utilizing the standard form of Gift Card provided or designated by Franchisor, and only in the manner specified by Franchisor in the Operations Manual or otherwise in writing. Franchisee shall fully honor all Gift Cards that are in the form provided or approved by Franchisor regardless of whether a Gift Card was issued by Franchisee or another Ford's Garage Restaurant. Franchisee shall sell, issue, and redeem (without any offset against any Royalty Fees) Gift Cards in accordance with procedures and policies specified by Franchisor in the Operations Manual or otherwise in writing.

(b) From time to time, Franchisor may sell Gift Cards to retailers or to other businesses at a discount or give away Gift Cards to not-for-profit or charitable organizations. Franchisee agrees and acknowledges that when customers in the Restaurant redeem a Gift Card, the amount that shall be reimbursed to the Franchisee by Franchisor, will be the amount, if any, that Franchisor received as compensation when the particular Gift Card was either sold or given away. To the extent that any Gift Card was given away to a "charitable organization," you as Franchisee, may be entitled to take a charitable deduction under federal tax law in the amount of the Gift Card being redeemed at the Restaurant. Franchisor agrees that it will not seek to take a tax deduction with respect to the sale or redemption of such Gift Cards but that such tax deduction, if any, shall go to Franchisee. In connection with the foregoing, Franchisor is not offering Franchisee any tax or accounting advice and Franchisor makes no representation to Franchisee as to whether or not any tax deduction is permitted or is applicable to Franchisee. Franchisor suggests that Franchisee

consult with a tax or accounting professional with respect to these matters.

### 12.15 E-Mail

Franchisee shall, at all times and at Franchisee's expense, maintain an e-mail address and account for communicating with Franchisor. Franchisee may change its e-mail address by giving written notice of such change of address to Franchisor.

### 12.16 Best Efforts

Franchisee shall use its best efforts to promote and increase the sales and recognition of services offered through the Franchised Business. Franchisee shall require all of Franchisee's employees, managers, officers, agents and representatives to make a good faith effort to enhance and improve the System and the sales of all products and services provided as part of the System.

### 12.17 Right to Inspect Franchised Business

Franchisor and its designated agents and representatives (including "mystery" or "secret" shoppers) have the right to enter and inspect the Accepted Location at all reasonable times and, additionally, have the right to observe the manner in which Franchisee renders services and conducts activities and operations, and to inspect facilities, equipment, products, supplies, reports, forms and documents and related data to ensure that Franchisee is operating the Franchised Business in accordance with the quality control provisions and performance standards established by Franchisor. Franchisor and its agents shall have the right, at any reasonable time, to remove sufficient quantities of products, supplies or other items to test whether such products or items meet Franchisor's then-current standards. Franchisor or its designee has the right to observe Franchisee and its employees during the operation of the Franchised Business and to interview and survey (whether in person or by mail) customers and employees and to photograph or videotape the operations.

### 12.18 Adequate Reserves and Working Capital

Franchisee must at all times maintain adequate reserves and working capital sufficient for Franchisee to fulfill all of Franchisee's obligations under this Agreement and to cover the risks and contingencies of the Franchised Business for at least six (6) months. These reserves may be in the form of cash deposits or lines of credit.

### 12.19 Business Entity Requirements and Records

If Franchisee is a corporation, limited liability company, partnership or other type of business entity, Franchisee must comply with the requirements set forth below:

a) Furnish Franchisor with formation, organizational and governing documents, and any amendments thereto (including the resolution of the Board of Directors authorizing entry into this Agreement), along with copies of any shareholder, partnership, membership; buy/sell or equivalent agreements;

b) Franchisee's entity formation documents shall at all times provide that Franchisee's activities are confined exclusively to operating the Franchised Business;

c) Franchisee shall maintain stop-transfer instructions against the transfer of any equity securities, and Franchisee shall conspicuously endorse on the face of each of Franchisee's stock certificates or membership interest certificates a statement in a form satisfactory to Franchisor that such certificate is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement; and

d) Franchisee shall complete the Holders of Legal or Beneficial Interest in Franchisee Form attached hereto as Attachment 1, which Franchisee represents and acknowledges is a complete and accurate description of the principals, officers and directors of Franchisee. Franchisee expressly acknowledges and agrees that any proposed change in the principals listed on Attachment 1 shall require Franchisor's prior written consent subject to Section 19.2 hereof and shall promptly update and provide such form to Franchisor in the event of any change of ownership.

### 12.20 Personal Guaranty

If Franchisee is a corporation, limited liability company, partnership, or if any successor to or assignee of Franchisee is a corporation, limited liability company or partnership, then all of the owners, shareholders, members and principals of Franchisee, shall execute the Guaranty and Assumption of Obligations, attached hereto as Attachment 9.

### 12.21 Pricing

Franchisor may from time to time establish maximum, minimum or other pricing requirements to the fullest extent allowed by law for products and services that Franchisee is required or authorized to provide, and Franchisee agrees to comply with those requirements. Notwithstanding anything to the contrary in this Section 12.21, Franchisee shall have the discretion to set pricing for Franchisee's products and services provided that, subject to applicable antitrust laws, such pricing:

a) is at or below any maximum price cap programs established by Franchisor for the System;

b) is at or above any minimum price threshold programs established by Franchisor for the System; or

c) conforms to any bona fide promotional programs or national or regional accounts programs established from time to time by Franchisor for the System.

Franchisee is required to maintain the integrity of the products and services Franchisee is providing under the Ford's Garage brand and the System and Franchisee's pricing should be reflective of that concept. If Franchisee elects to sell any or all Franchisee's products or services at any price recommended by Franchisor, Franchisee acknowledges that Franchisor has made no guarantee or warranty that offering such products or services at the recommended price will enhance Franchisee's

sales or profits. Further, Franchisor may elect to set maximum and/or minimum pricing in certain geographic areas, and not others. As a member of the Ford's Garage System, Franchisee agrees to honor any and all special purchasing agreements made by Franchisor.

## ARTICLE XIII: FRANCHISOR'S OBLIGATIONS

Franchisor shall provide Franchisee with the following services in connection with the development and operation of Franchisee's Restaurant:

### 13.1 Site Selection Assistance

Franchisor will provide Franchisee with Franchisor's criteria for site selection and assist Franchisee, as Franchisor deems necessary, with selecting the site for the location of Franchisee's Restaurant.

### 13.2 On-Site Evaluations of Proposed Location for Franchisee's Restaurant

At Franchisee's request or in Franchisor's sole judgment, Franchisor shall conduct an on-site evaluation of Franchisee's proposed location. Franchisee shall pay Franchisor's then-current location assistance fee and reimburse Franchisor for its expenses in providing such assistance or evaluation, including travel, lodging and meals for our representative. Franchisor reserves the right to not conduct an on-site evaluation.

### 13.3 Review of Lease for Accepted Location

Franchisor will review and approve or disapprove Franchisee's lease or purchase agreement for the site for Franchisee's Restaurant, mainly for the purposes of ensuring that the terms of Franchisor's lease rider are incorporated therein. Franchisee acknowledges and expressly agrees that Franchisor's review of Franchisee's lease or purchase agreement and any advice or recommendations Franchisor may offer is not a representation or guarantee by Franchisor that the terms of Franchisee's lease or purchase agreement are favorable to Franchisee.

### 13.4 Prototype Design Plans

Franchisor shall provide Franchisee with one (1) set of prototypical architectural and design plans and specifications for the construction and development of Franchisee's Restaurant. Franchisee shall independently, and at Franchisee's expense, have such architectural and design plans and specifications adapted for construction of Franchisee's Restaurant in accordance with Article V herein.

### 13.5 Initial Training Program

Franchisor shall provide an Initial Training Program for Franchisee's Managers as described in Section 8.1.

### 13.6 Operations Manual

Franchisor will provide the Franchisee the online portal access to Franchisor's Confidential Operations Manual that contains mandatory and suggested specifications, standards, and procedures for the operation and management of Franchisee's Franchised Business, along with all amendments thereto.

### 13.7 Schedule of Products and Services, Accepted Suppliers and Operating Assets

Franchisor shall provide Franchisee with a written schedule of all products and services sold or used by all System Restaurants, along with the fixtures, furnishings, equipment, computers software, supplies and inventory required for the operation of the Franchisee's Restaurant. Franchisor shall also provide Franchisee with a list of Accepted Suppliers for the products and services for the Franchised Business.

### 13.8 Advertising and Promotional Materials

Franchisor shall provide Franchisee with advertising and promotional materials and information developed by Franchisor and/or its affiliate for use by Franchisee in marketing and conducting local advertising for the Restaurant at a reasonable cost to Franchisee. Franchisor shall have the right to review and approve or disapprove all advertising and promotional materials that Franchisee proposes to use, pursuant to Article X.

### 13.9 National Marketing Fund

In accordance with Article X, Franchisor shall administer a National Marketing Fund for its national and regional advertising programs.

### 13.10 General Management and Operations Advice and Guidance

Franchisor shall be available to render advice, discuss problems and offer general guidance to Franchisee by telephone, e-mail, facsimile, newsletters and other methods with respect to planning, opening and operating the Franchised Business. Franchisor shall not charge for this service; however, Franchisor retains the right to refuse or charge a fee for this service should Franchisee be deemed by Franchisor to be utilizing this service too frequently or in an unintended manner. Franchisor's advice or guidance to Franchisee relative to prices for products and services that, in Franchisor's judgment, constitutes good business practice is based upon the experience of Franchisor and its franchisees in operating Ford's Garage businesses and an analysis of costs and prices charged for competitive products and services. Franchisee shall have the sole right to determine the prices to be charged by the Franchised Business; provided, however, that Franchisor shall have the sole right to determine the prices to be charged for products sold through the Ford's Garage Internet site, including products sold to persons identified as customers of the Franchised Business.

### 13.11 Periodic Visits

Franchisor or Franchisor's representative shall make periodic visits, which may be

announced or unannounced, to the Franchised Business for the purposes of consultation, assistance and guidance with respect to various aspects of the operation and management of the Franchised Business. This may include the use of mystery shoppers and similar types of reviews of the Franchised Business. Franchisor and Franchisor's representatives who visit the Franchised Business may prepare, for the benefit of both Franchisor and Franchisee, written reports detailing any problems or concerns discovered during any such visit and outlining any required or suggested changes or improvements in the operations of the Franchised Business. A copy of any such written report may be provided to Franchisee. Franchisee shall implement any required changes or improvements as required by Franchisor with time being of the essence. Franchisor reserves the right to require Franchisee to pay a "Mystery Shopper Fee" in the amount Franchisor designates in connection with any such mystery shopper program (if implemented).

### 13.12 Licensed Products for Resale

Franchisor shall, from time to time and at its reasonable discretion, at a reasonable cost, make available for resale to Franchisee's customers certain merchandise identifying the System, such as logoed merchandise and memorabilia, in sufficient amounts to meet customer demand. Franchisor may specify that Franchisee must purchase such merchandise from Franchisor, its affiliate, or another designated supplier.

### 13.13 Opening Assistance

Pursuant to Section 8.2, Franchisor shall send a team of its representatives to provide Franchisee and Franchisee's employees with assistance and training in connection with the grand opening of Franchisee's Restaurant. Franchisee agrees to reimburse Franchisor and/or home store of trainer for the expenses that its opening team incurs while providing opening assistance, including pro-rated salaries, travel, lodging and meals ("Opening Team Expenses") which expenses Franchisor estimates may be between approximately One Hundred Thousand Dollars ($100,000.00) and One Hundred Fifty Thousand Dollars ($150,000.00).

## ARTICLE XIV: INSURANCE

### 14.1 Types and Amounts of Coverage

At its sole expense, Franchisee shall procure proper insurance and correct coverages that are due once Franchisee obtains its Certificate of Occupancy and 30 days out from opening anniversary date annually and maintain in full force and effect during the term of this Agreement, the types of insurance contained in the operations manual (as it may be amended from time to time) and as listed below. All policies (except any workers' compensation insurance) shall expressly name Franchisor as well as Ford Motor Company and their affiliates as outlined in the operations manual (currently CAA Global Brand Consulting) as additional insured parties or loss payee and all shall contain a waiver of all subrogation rights against Franchisor and its successors and assigns. In addition to any other insurance that may be required by applicable law, or by lender or lessor, Franchisee shall procure:

a) Workers' compensation insurance and employer liability coverage that

complies with the statutory requirements of the state in which the Franchised Business is located and employer liability coverage with a minimum limit of ONE MILLION DOLLARS ($1,000,000.00) or, if higher, the statutory minimum limit as required by state law;

b) Comprehensive general liability insurance against claims for bodily and personal injury, property damage, personal and advertising injury, death and property damage caused by, or occurring in conjunction with, the operation of the Franchised Business, or Franchisee's conduct of business pursuant to this Agreement, with a minimum liability coverage of for ONE MILLION DOLLARS ($1,000,000) per occurrence and TWO MILLION DOLLARS ($2,000,000) aggregate, or, if higher, the statutory minimum limit required by state law;

c) Business Interruption insurance and contractual indemnity (including to satisfy Franchisee's indemnification obligations under this Agreement) for a limit of not less than ONE MILLION DOLLARS ($1,000,000).

d) General and liquor liability insurance to cover all liquor and/or dram shop liability claims in the amount of One Million Dollars ($1,000,000) per occurrence, Two Million Dollars ($2,000,000) aggregate limit.

e) Automobile liability insurance (including coverage of owned, non-owned and hired vehicles used in the Franchised Business) with minimum limits of liability in the greater of (a) the greatest amount required by any applicable federal, state or local law, or (b) a combined single limit property damage and bodily injury of ONE MILLION DOLLARS $1,000,000;

f) In connection with any construction, renovation, refurbishment or remodeling of the Restaurant, Franchisee shall maintain Builder's Risks/installation insurance in forms and amounts, and written by a responsible, duly licensed carrier or carriers, reasonably satisfactory to Franchisor;

g) Property insurance coverage for 100% of the current replacement cost of the building (if applicable) and all business personal property used in the operation of the Franchised Business, including build-out costs. This policy must also provide business income coverage for lost profit and royalties due to a covered loss;

h) Cyber insurance coverage to include first- and third-party insurance coverages including ransomware, data breach, incident response (notification, forensic work, crisis management expenses) and incident response (notification, data breach and forensic work); and

i) Umbrella liability coverage to be excess of Comprehensive General Liability, Auto Liability and Employer's Liability, for a limit of FOUR MILLION DOLLAS ($4,000,000);

j) If the Franchised Business is located in a flood, wind or earthquake zone, Franchisee shall secure insurance coverage to protect all assets of the Franchised Business;

k) Employment Practices Liability with a limit of ONE MILLION DOLLARS ($1,000,000) naming Franchisor as co-defendant for all first-and-third party wrongful acts;

l) Wage and Hour Defense coverage for a minimum of $100,000;

m) Such other insurance as required by the terms of the lease for the Restaurant, or as may be required by the state or locality in which the Restaurant is located and operated or as may be required by Franchisor during the term of this Agreement.

n) Such other additional or modified insurance coverage requirements as specified in the Operations Manual.

### 14.2 Future Increases

Franchisor has the right to reasonably increase the minimum liability protection requirement annually and require different or additional insurance coverage(s) to reflect inflation, changes in standards of liability, future damage awards or other relevant changes in circumstances.

### 14.3 Carrier Standards

Such policies shall: (i) be written by an insurance company that is acceptable to Franchisor, licensed in the state in which Franchisee operates and having at least an AM Best Rating of A-VII Rating Classification as indicated in the latest issue of A.M. Best's Key Rating Guide; (ii) include a waiver of subrogation; (iii) be primary and non-contributory to any insurance Franchisor may carry; and (iv) provide 30-days advance notice of cancellation. Franchisor reserves the right to require Franchisee to use an insurance provider designated by Franchisor.

### 14.4 Evidence of Coverage

Franchisee's obligation to obtain and maintain the foregoing policies shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of this obligation relieve it of liability under the indemnity provisions set forth in Article XIV. Franchisee shall provide Franchisor with certificates of insurance naming Franchisor as additional insured on all liability policies, showing compliance with the foregoing requirements: (i) when requested by Franchisor; (ii) 15-days prior to each renewal; (iii) 30—days before opening the Franchised Business; and (iv) whenever operations of any kind begin, including signing a lease. Such certificates shall state that said policy or policies shall not be canceled or altered without at least thirty (30) days' prior written notice to Franchisor and shall reflect proof of payment of premiums. Without limiting the foregoing, PROOF OF PROPER INSURANCE AND CORRECT COVERAGES ARE DUE ONCE A NEW RESTAURANT OBTAINS ITS Certificate of Occupancy AND 30 DAYS OUT FROM OPENING ANNIVERSARY DATE ANNUALLY. Franchisor may, in its sole discretion, hire a third party to monitor Franchisee's insurance coverage and Franchisee hereby agrees to comply with all requests and requirements of any such hired third-party.

### 14.5 Failure to Maintain Coverage

Should Franchisee not procure and maintain insurance coverage as required by this Agreement, Franchisor has the right (but not the obligation) to immediately procure such insurance coverage and to charge the premiums to Franchisee, which charges, together with a reasonable fee

for expenses incurred by Franchisor in connection with such procurement, shall be payable by Franchisee immediately upon notice.

## ARTICLE XV: TRANSFERABILITY OF INTEREST

### 15.1 Transfer by Franchisor

Franchisor shall have the right, without needing to obtain Franchisee's consent, to assign, transfer, or sell its rights under this Agreement, in whole or in part, to any person or entity; provided that the assignee shall: (i) be financially responsible and economically capable of performing Franchisor's obligations; and (ii) expressly assume, in writing, the obligations of Franchisor hereunder. Upon consummation of such assignment or transfer, Franchisor shall thereafter have no liability for the performance of any obligations contained in this Agreement.

Franchisee expressly affirms and agrees that Franchisor may sell its assets, its rights to the Marks or to the System outright to a third party; may go public; may engage in a private placement of some or all of its securities; may merge, acquire other corporations, or be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and, with regard to any or all of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from or related to the loss of said Marks (or any variation thereof) and/or the loss of association with or identification of "Vintage Hospitality Group, LLC" as Franchisor. Nothing contained in this Agreement shall require Franchisor to remain in the restaurant business or to offer the same products and services, whether or not bearing the Marks, in the event that Franchisor exercises its right to Transfer Franchisor's rights under this Agreement.

### 15.2 Transfer by Franchisee

The rights and duties of Franchisee as set forth in this Agreement, and the Franchise herein granted, are personal to Franchisee (or its principals), and Franchisor has entered into this Agreement in reliance upon Franchisee's personal or collective character, skill, aptitude, attitude, business ability and financial ability. Accordingly, neither Franchisee nor any holder of a legal or beneficial interest in Franchisee may sell, assign, convey, give away, pledge, mortgage, sublicense or otherwise transfer (collectively, a "Transfer"), whether by operation of law or otherwise, any interest in this Agreement, the Franchise granted hereby, the Accepted Location used in operating the Franchised Business, its assets or any part or all of the ownership interest in Franchisee without the prior written approval of Franchisor. Any purported transfer without such approval shall be voidable and shall constitute a material breach of this Agreement.

### 15.3 Franchisor's Right of First Purchase

a) In the event that Franchisee wishes to transfer, sell or assign (1) an interest in this Agreement; (2) all or substantially all of the Restaurant's operating assets; or (3) the Franchised Business (including the right to receive Franchisee's portion of the Franchised Business' profits or losses), other than to any partner, co-shareholder, or member of Franchisee or, if Franchisee is an individual, to any member of his or her immediate family thereof or Trusts for

the benefit of any such family member (all of which will be free of any of the rights provided for herein) then Franchisee shall first notify Franchisor of Franchisee's desire to sell, transfer or assign the Franchised Business, interest in this Agreement, or all or substantially all of Franchisee's operating assets, and Franchisee shall inform Franchisor of the price and terms (the "Offer") upon which Franchisee is willing to sell, transfer or assign such franchise or interest (cumulatively, "Interest").

b) Franchisor shall have ninety (90) days within which to evaluate the Offer and to exercise Franchisor's Right of First Purchase by written notice ("Notice to Purchase") to Franchisor. If Franchisor exercises its Right of First Purchase, the closing with respect to said transfer shall occur within thirty (30) days of the date of receipt of the Notice to Purchase at Franchisor's offices or at such other place as may be mutually agreed upon by Franchisor and Franchisee. If

Franchisor fails to exercise its Right of First Purchase, as aforesaid, then Franchisee agrees to market such transfer through Franchisor for six (6) months. If by the expiration of said six (6) month period, Franchisor has not produced or identified a bona fide third-party buyer whom Franchisor and Ford shall approve, then Franchisee will be free to offer the Interest to third parties on terms and conditions no less favorable than those offered to Franchisor and otherwise subject to the terms of this Agreement. Notwithstanding the foregoing, no transfer of any Interest governed by this Section shall be made unless: (i) the transferee meets Franchisor's and Ford's then-current standards for Franchisor's franchisees, fairly and consistently applied, in good faith; and (ii) transfer is in compliance with Section 15.4 below.

c) In the event that Franchisee wishes to sell the Interest upon price or terms less favorable than those set forth in the Offer, then Franchisee will notify Franchisor in writing of the new price and terms ("Reduced Offer") that Franchisee would be willing to accept. In such event, the conditions set forth in Subsection (15.3(b)) above, will apply except that Franchisor will have twenty (20) days within which to evaluate the Reduced Offer and to exercise its Right of First Purchase.

d) If Franchisee does not complete such sale, transfer or assignment within one (1) year from the date of the expiration of the thirty (30) day period referred to in Subsection 15.3(b) above, then Franchisee must again offer to Franchisor any Interest that Franchisee wishes to offer (subject to the exceptions provided for herein) before Franchisee shall have the right to complete such a transfer and Franchisor will have the Right of First Purchase referred to above on the same terms and conditions and subject to the same time requirements provided for in this Section.

### 15.4 Conditions to Transfer.

If Franchisee is in compliance with this Agreement and Franchisor has not exercised its Right of First Purchase, Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the following requirements:

a) Franchisee has complied with the requirements set forth in Section 15.3 - Right of First Purchase;

b) All monetary obligations owed to Franchisor, and all other outstanding obligations relating to the Franchised Business, are fully paid and satisfied;

c) Franchisee and Franchisee's affiliates shall not be in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between Franchisee or any of Franchisee's affiliates and Franchisor or any of Franchisor's affiliates at the time of transaction;

d) Franchisee (and any transferring principals, if Franchisee is a business entity) has executed a general release, in a form the same as or similar to the General Release attached as Attachment 4, of any and all claims against Franchisor, including its officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), including, without limitation, claims arising under federal, state or local laws, rules or ordinances, and any other matters incident to the termination of this Agreement or to the transfer of Franchisee's interest herein or to the transfer of Franchisee's ownership of all or any part of the Franchise; provided, however, that if a general release is prohibited, Franchisee shall give the maximum release allowed by law;

e) the prospective transferee meets Franchisor's management, business and financial standards, and otherwise possesses the character and capabilities, including business reputation and credit rating, as Franchisor may require to demonstrate ability to conduct the Franchised Business;

f) the transferee and, if Franchisor requires, all persons owning any interest in the transferee, have executed the then-current franchise agreement for new franchisees, the provisions of which may be substantially different from the terms contained in this Agreement;

g) Franchisee has provided Franchisor with a complete copy of all contracts and agreements and related documentation between Franchisee and the prospective transferee relating to the intended sale or transfer of the Franchise;

h) Franchisee, or the transferee, has paid to Franchisor a transfer fee in the amount of FIFTEEN THOUSAND DOLLARS ($15,000.00) (the "Transfer Fee");

i) the transferee shall enter into a written agreement, in a form reasonably satisfactory to Franchisor, assuming full, unconditional, joint and several liability for, and agreeing to perform from the date of the transfer, all obligations, covenants and agreements contained in this Agreement; and, if the transferee is an entity, transferee's principals shall execute Franchisor's form of Guaranty and Assumption of Obligations guaranteeing the performance of all such obligations, covenants and agreements;

j) the lessor of the Accepted Location shall have consented to Franchisee's assignment or sublease of the lease to transferee, or such transferee has secured a substitute premises for the Restaurant which has been Accepted by Franchisor

k) the transferee (or its principals, if the transferee is an entity) and the transferee's Designated Manager completes, to Franchisor's satisfaction, a training program in

substance similar to the initial training described in Section 8.1 prior to assuming the management of the day-to-day operations of the Franchised Business; and

l) the transferee, at its expense, shall renovate, modernize and otherwise upgrade the Restaurant to conform to the then-current standards and specifications of the System, and shall complete the upgrading and other requirements which conform to the System-wide standards within the time period reasonably specified by Franchisor;

m) Franchisee shall remain liable for all of the obligations to Franchisor in connection with the Restaurant that incurred prior to the effective date of the Transfer and shall execute any and all instruments reasonably requested by Franchisor to evidence such liability;

n) Franchisee agrees for a period of two (2) years beginning on the transfer's effective date, not to engage in any of the activities identified in Section 7.8 above; and

o) the transferee has obtained all necessary types of insurance as described in Section 14.1.

### 15.5 Transfer to a Controlled Entity

If Franchisee is an individual and wishes to transfer this Agreement or any interest herein to a corporation, limited liability company or other legal entity which shall be entirely owned by Franchisee ("Controlled Entity"), which Controlled Entity is being formed for the financial planning, tax or other convenience of Franchisee, Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the following requirements:

a) the Controlled Entity is newly organized and its charter provides that its activities are confined exclusively to the operation of the Franchised Business;

b) Franchisee or all holders of a legal or beneficial interest in Franchisee own all of the equity and voting power of the outstanding stock or other capital interest in the Controlled Entity;

c) all obligations of Franchisee to Franchisor or any Affiliate are fully paid and satisfied; provided, however, that neither Franchisee nor the Controlled Entity shall be required to pay a Transfer Fee as required pursuant to Section 15.4(h);

d) the Controlled Entity and Franchisee must enter into a written assignment and assumption agreement in a form designated by Franchisor pursuant to which the Controlled Entity will expressly assume Franchisee's obligations under this Agreement and all other agreements relating to the operation of the Franchised Business, and pursuant to which the Controlled Entity and Franchisee agree to a general release of claims in favor of Franchisor. If the consent of any other party to any such other agreement is required, Franchisee has obtained such written consent and provided the same to Franchisor prior to consent by Franchisor;

e) all holders of a legal or beneficial interest in the Controlled Entity (including the initial, individual Franchisee) have entered into an agreement with Franchisor providing that

they are jointly and severally guaranteeing the full payment of the Controlled Entity's obligations to Franchisor and the performance by the Controlled Entity of all the obligations of this Agreement;

f) The articles of organization and governing documents (including by-laws, operating agreement or partnership agreement) of the entity or assignee entity shall reflect that the issuance and transfer of equity is restricted, and all certificates shall conspicuously endorsed upon the face thereof a statement in a form satisfactory to Franchisor that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon transfers and assignments by this Agreement; and

g) copies of the Controlled Entity's articles of incorporation or organization, bylaws, operating agreement, federal tax identification number and other governing regulations or documents, including resolutions of the board of directors authorizing entry into this Agreement, have been promptly furnished to Franchisor. Any amendment to any such documents shall also be furnished to Franchisor immediately upon adoption.

The term of the transferred franchise shall be the unexpired term of this Agreement, including all renewal rights, subject to any and all conditions applicable to such renewal rights.

Franchisor's consent to a transfer of any interest in this Agreement, or of any ownership interest in the Franchised Business, shall not constitute a waiver of any claims Franchisor may have against the transferor or the transferee, nor shall it be deemed a waiver of Franchisor's right to demand compliance with the terms of this Agreement.

A transfer under this Section 15.5 may occur one (1) time only.

### 15.6 Franchisor's Disclosure to Transferee

Franchisor has the right, without liability of any kind or nature whatsoever to Franchisee, to make available for inspection by any intended transferee of Franchisee all or any part of Franchisor's records relating to this Agreement, the Franchised Business or to the history of the relationship of the parties hereto. Franchisee hereby specifically consents to such disclosure by Franchisor and shall release and hold Franchisor harmless from and against any claim, loss or injury resulting from an inspection of Franchisor's records relating to the Franchised Business by an intended transferee identified by Franchisee or otherwise disclosed to Franchisor.

### 15.7 For-Sale Advertising

Franchisee shall not, without prior written consent of Franchisor, place in, on or upon the location of the Franchised Business, or in any communication media, any form of advertising relating to the sale of the Franchised Business or the rights granted hereunder.

### 15.8 Transfer by Death or Disability

a) Upon Franchisee's death (if Franchisee is a natural person) or upon the death of any controlling owner of Franchisee, or the Restaurant, who is a natural person (the "Deceased"), the executor, administrator or other personal representative of the Deceased shall

transfer such interest to a third party approved by Franchisor within eighteen (18) months from the date of the appointment of an executor, administrator or personal representative. If no personal representative is designated or appointed or no probate proceedings are instituted with respect to the estate of the Deceased, then the distributee of such interest must be approved by Franchisor. If the distributee is not approved by Franchisor, then the distributee shall transfer such interest to a third party approved by Franchisor within eighteen (18) months from the determination of the distributee. During such eighteen (18) month period, the Franchised Business must remain at all times under the primary management of a Designated Manager who otherwise meets Franchisor's management qualifications.

b) Upon Franchisee's permanent disability (if Franchisee is a natural person) or upon the permanent disability of any controlling owner of Franchisee, or the Restaurant, who is a natural person, Franchisor may, in its reasonable discretion, require such interest to be transferred to a third party in accordance with the conditions described in this Article XV within six (6) months from appointment of a representative for the disabled person. "Permanent disability" shall mean any physical, emotional or mental injury, illness or incapacity which would prevent a person from performing the obligations set forth in this Agreement or in the guaranty made part of this Agreement for at least ninety (90) consecutive days and from which condition recovery within ninety (90) days from the date of determination of disability is unlikely. Permanent disability shall be determined by a licensed practicing physician agreed upon by the parties, or , if the parties cannot agree, three (3) physicians, one chosen by Franchisee and the other chosen by Franchisor with the third physician agreed upon between Franchisor's and Franchisee's respective physicians, upon examination of the person; or if the person refuses to submit to an examination, then such person automatically shall be deemed permanently disabled as of the date of such refusal for the purpose of this Section 15.8. The costs of any examination required by this Section shall be paid by Franchisor.

c) In the event of such a death or permanent disability of a controlling owner of Franchisee as described in this Section, Franchisor shall have the right, but not the obligation, to assume operation of the Franchised Business until the deceased or disabled owner's interest is transferred to a third party which meets Franchisor's standards and is approved by Franchisor. Pursuant to Section 3.9, Franchisor may charge a Management Fee at Franchisor's then- current rate, which shall not be in excess of 3% of the Restaurant's Gross Sales, and Franchisor shall also be entitled to reimbursement of any expenses Franchisor incurs that are not paid out of the operating cash flow of the Franchised Business.

d) Upon the death or claim of permanent disability of Franchisee or any controlling owner, Franchisee or a representative of Franchisee must notify Franchisor of such death or claim of permanent disability within ten (10) days of its occurrence. Any transfer upon death or permanent disability shall be subject to the same terms and conditions as described in this Section for any inter vivos transfer. If an interest is not transferred upon death or permanent disability as required in this Section, then such failure shall constitute a material event of default under this Agreement and thus provide Franchisor with the right to terminate this Agreement.

**15.9 Effect of Consent to Transfer**

Franchisor's consent to any Transfer is not a representation of the fairness of the terms of any contract between Franchisee and the transferee, a guarantee of the Franchised Business' or transferee's prospects of success, or a waiver of any claims Franchisor has against Franchisee or of our right to demand the transferee's full compliance with this Agreement's terms or conditions.

### 15.10 Sales or Transfers to Family Excepted

If Franchisee, or any of Franchisee's principals, proposes to sell or otherwise transfer the Franchised Business (or any of its assets outside of the normal course of business), any ownership interest in Franchisee or any ownership interest in the Franchise granted hereunder to a member of Franchisee's (or its principals') family, then the terms and conditions of Section 15.3 shall be inapplicable. Nothing in this Section 15.10 shall be construed to relieve Franchisee from full compliance with the terms and conditions of Section 15.4 prior to a sale or transfer to family pursuant to this Section.

## ARTICLE XVI: DEFAULT AND TERMINATION

### 16.1 Termination by Franchisor with No Opportunity to Cure

Franchisee shall be deemed to be in material default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, (except as otherwise stated below), effective immediately upon notice to Franchisee, if Franchisee:

a) fails to timely select an Accepted site for or establish, equip and commence operations of the Restaurant pursuant to Article V;

b) fails to have its Restaurant Manager, or other Manager satisfactorily complete any training program pursuant to Article VIII;

c) made any material misrepresentation or omission in its application for the Franchise or otherwise to Franchisor in the course of entering into this Agreement;

d) after notice to cure, fails to refrain from activities, behavior or conduct likely to adversely affect the reputation of either party, Ford, or the Franchised Business;

e) is convicted of or pleads no contest to a felony or other crime or offense that is likely to adversely affect the reputation of Franchisor, Franchisee or the Franchised Business;

f) discloses, duplicates or otherwise uses in an unauthorized manner any portion of the Operations Manual, Trade Secrets or any other Confidential Information;

g) if required, fails to have its owners (and members of their immediate families and households), officers, directors, managers, executives and professional staff, and other individuals having access to trade secrets or other confidential information, sign nondisclosure

and noncompetition agreements or, if requested, fails to provide Franchisor with copies of all signed nondisclosure and noncompetition agreements;

h) abandons, fails or refuses to actively operate the Franchised Business for five (5) or more consecutive days (unless the Franchised Business has not been operational for a purpose approved by Franchisor); or, if first Accepted by Franchisor, fails to promptly relocate the Franchised Business following the expiration or termination of the lease for the Accepted Location, the destruction or condemnation of the Accepted Location or any other event rendering the Accepted Location unusable;

i) surrenders or transfers control of the operation of the Franchised Business without Franchisor's approval; makes or attempts to make an unauthorized direct or indirect assignment of the Franchise or an ownership interest in Franchisee; or fails or refuses to assign the Franchise or the interest in Franchisee of a deceased or disabled owner thereof as herein required;

j) fails to maintain the Franchised Business under the primary supervision of a Designated Manager during the eighteen (18) months following the death or permanent disability of Franchisee or any holder of a legal or beneficial interest in Franchisee pursuant to Section 15.8;

k) submits to Franchisor on two (2) or more or more separate occasions during any twenty-four (24) consecutive month period, any reports, data, information or supporting records that understate any Royalty Fee or any other fees owed to us by more than three (3%) percent for any accounting period on an annualized basis and Franchisee is unable to demonstrate that such understatements resulted from inadvertent error;

l) is adjudicated as bankrupt, becomes insolvent, commits any affirmative act of insolvency, or files any action or petition of insolvency; if a receiver of its property or any part thereof is appointed by a court; if it makes a general assignment for the benefit of its creditors; if a final judgment remains unsatisfied of record for thirty (30) days or longer (unless *supersedeas* bond is filed); if execution is levied against Franchisee's business or property; if a suit to foreclose any lien or mortgage against its Accepted Location or equipment is instituted against Franchisee and not dismissed within thirty (30) days or is not in the process of being dismissed;

m) misuses or makes an unauthorized use of any of the Marks or commits any other act which can reasonably be expected to impair the goodwill associated with any of the Marks;

n) fails on two (2) or more separate occasions within any twelve (12) consecutive month period to submit reports or other information or supporting records when due, to pay any Royalty Fee, National Marketing Fund Contribution, amounts due for purchases from Franchisor and any Affiliate, or other payment when due to Franchisor or any Affiliate, whether or not such failures to comply are corrected after notice thereof is delivered to Franchisee;

o) violates on two (2) or more occasions any health or safety law, ordinance or regulation, or operates the Franchised Business in a manner that presents a health or safety

hazard to its customers, employees or the public;

p) engages in any activity exclusively reserved to Franchisor;

q) fails to comply with applicable law after receiving notice;

r) breaches this Agreement and/or fails to comply with mandatory specifications, customer service standards or operating procedures prescribed in the Operations Manual on two (2) or more separate occasions within any period of twelve (12) consecutive months, whether or not previous breaches or failures are cured;

s) defaults under any other agreement with Franchisor or an Affiliate so that Franchisor or its Affiliate has the right to terminate such agreement;

t) Franchisee (or its principals) engage in any dishonest or unethical conduct which, in Franchisor's opinion, adversely affects the Franchised Business' reputation, the reputation of other Ford's Garage franchisee, Ford or the goodwill associated with the Marks;

u) Franchisee interferes with Franchisor's right to inspect the Restaurant or observe its operation, as provided in Section 12.16 of this Agreement;

v) any material licenses or permits necessary for the proper operation of the Restaurant are revoked or not renewed;

w) Franchisee fails to pay when due any federal, state or local income, service, sales or other taxes due in connection with the operation of the Franchised Business, unless Franchisee is, in good faith, contesting Franchisee's liability for said taxes;

x) Franchisee (or Franchisee's principals) violate the in-term non-compete covenant under Section 7.8(a);

y) Franchisee's assets, property or interests are "blocked" under any law, ordinance or regulation relating to terrorist activities or if Franchisee are otherwise in violation of any such law, ordinance or regulation, or any other law, ordinance or regulation applicable to the Franchisee's Restaurant;

z) defaults under any other agreement between Franchisor (or any Affiliate) and Franchisee (or its Affiliate), such that Franchisor or its Affiliate, as the case may be, has the right to terminate such agreement or such agreement automatically terminates; or

aa) Franchisee fails to comply with any other provision of this Agreement or any System standard and does not correct the failure within thirty (30) days after Franchisor delivers to Franchisee written notice of the failure.

### 16.2 Termination by Franchisor with Opportunity to Cure

Except as otherwise provided in Section 16.2, Franchisor has the right to terminate this

Agreement for the following breaches and defaults by giving notice of such termination ("Notice of Default") stating the nature of the default. Notwithstanding the foregoing, Franchisee may avoid termination by curing such default (or, if Franchisee cannot reasonably cure such default within the applicable cure period, by providing proof acceptable to Franchisor that Franchisee has commenced taking the steps to cure such default or failure within the applicable cure period and will diligently continue to make all reasonable efforts to cure such default) within the 30-day cure period. Examples of curable defaults which may be cured by Franchisee include, but are not limited to the following:

a) failure to pay any amounts due to Franchisor within five (5) days of receiving Franchisor's Notice of Default;

b) failure to maintain insurance as specified in Section 15 of this Agreement and fails to cure such default within ten (10) days of receiving Notice of Default from Franchisor;

c) fails to: (1) have any holder of a legal or beneficial interest in Franchisee (and any member of their immediate families or households), and any officer, director, executive, manager or member of the professional staff and all employees of Franchisee, execute Franchisor's forms of Nondisclosure and Non-Competition Agreement and Employee Confidentiality Agreement (as applicable) attached hereto as Attachment 7 and 8 upon execution of this Agreement or prior to each such person's affiliation with Franchisee; or (2) provide Franchisor with copies of all Nondisclosure and Non-Competition Agreements and Employee Confidentiality Agreements signed pursuant to Section 7.3 if requested by Franchisor, and fails to cure such default(s) within ten (10) days of receiving Notice of Default from Franchisor;

d) fails to comply with any applicable law or regulation within ten (10) days after being given notice of noncompliance;

e) within thirty (30) days of receiving Notice of Default of any other default by Franchisee or upon Franchisee's failure to comply with any mandatory specification, standard or operating procedure prescribed in the Operations Manual or otherwise prescribed in writing.

### 16.3 Termination Based Upon Cross Default of Another Agreement

Franchisee will be deemed to be in default of this Agreement, and Franchisor may, at its option, terminate this Agreement, together with any other Franchise Agreement or any other agreement made between Franchisee (or any of Franchisee's Affiliates) and Franchisor (or any of our Affiliates), and all of the rights granted therein, respectively, effective as of the time noted, if any other Franchise Agreement or any other agreement (including, but not limited to, the Multi-Unit Development Agreement ("MUDA") made between Franchisee (or any of Franchisee's Affiliates) and Franchisor (or any of Franchisor's Affiliates) is terminated by Franchisor (or by Franchisor's Affiliate), or if the lease for the Accepted Location has been terminated, if the underlying conduct, action or omission indicates dishonest or unethical conduct in Franchisor's sole opinion, adversely affects the reputation of the System, other Ford's Garage multi-unit developers or franchisees or the goodwill associated with the Marks or Ford, or otherwise negatively reflects Franchisee's or the Franchisee's suitability to be a franchisee in the Ford's Garage System. By way of example only, and not meant to be an exhaustive list, examples of

underlying conduct which will trigger Franchisor's right to terminate this Agreement based upon a "cross-default" include: unauthorized use of the Marks or unauthorized disclosure of Confidential Information; making any material untrue statement, material misrepresentation or material omission to Franchisor, knowingly submitting a false report or financial statement to Franchisor; under- reporting of royalties or other amounts due to Franchisor; failure to pay Royalty fees or contributions to the National Marketing Fund; being convicted of or pleading no contest to a felony or other crime or offense that is likely to adversely affect the reputation of Franchisor, Franchisee or the Franchised Business; being found to have engaged in sexual misconduct, harassment or bullying;

If Franchisor elects to terminate this Agreement pursuant to this Section 16.4, Franchisor shall have the right, but not the obligation, in accordance with Section 18.5 of this Agreement, to purchase the assets with respect to any Restaurant existing at the time. This includes Franchisor's right to offset from the amount that Franchisor would otherwise be payable, the amount of any damages which have been caused or suffered by Franchisor (or its Affiliates) or Ford. Franchisor expressly reserves its right to pursue any and all remedies that it (or its Affiliates) may have in the event that the damage caused or suffered is in excess of any amounts that would have otherwise been payable under Section 18.5 of this Agreement. Further, if Franchisor elects to terminate this Agreement pursuant to this Section 16.4, Franchisor shall have no obligation to pay or compensate Franchisee in any amount or to refund Franchisee any fees or amounts that it previously paid to Franchisor.

### 16.4 Reinstatement and Extension

If provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation or non-renewal other than in accordance with applicable law, Franchisor may reinstate or extend the term of this Agreement for the purpose of complying with applicable law by submitting a written notice to Franchisee without waiving any of Franchisor's rights under this Agreement.

### 16.5 Right of Franchisor to Discontinue Services to Franchisee

If Franchisee is in breach of any obligation under this Agreement, and Franchisor delivers to Franchisee a Notice of Default pursuant to Section 16.3, Franchisor has the right to suspend its performance of any of its obligations under this Agreement including, without limitation, the sale or supply of any products or services for which Franchisor is an Accepted Supplier to Franchisee, until such time as Franchisee corrects the breach.

### 16.6 Franchisor's Rights and Franchisee's Duties in Event of a Default

If Franchisee is in default of this Agreement for which Franchisor provides Franchisee a Notice of Default as described herein, then Franchisee acknowledges and agrees that Franchisor shall have the following rights and Franchisee shall have the following obligations until such default is cured or this Agreement is terminated for Franchisee's failure to cure the default:

a) Upon Franchisee's receipt of a Notice of Default, Franchisee agrees to:

(i) continue to operate the Restaurant pursuant to System standards and specifications and according to Franchisor's instructions;

(ii) maintain all signage for the Restaurant in place, unless otherwise Accepted or instructed by Franchisor; and

(iii) maintain the Accepted Location, including all leasehold improvements, equipment and operating assets related to the operation of the Restaurant, in good condition. As described herein, Franchisor has the right to "step-in" and manage Franchisee's Business to ensure that Franchisor's requirements are being met.

b) Upon Franchisor sending Franchisee a Notice of Default, Franchisee agrees that Franchisor shall have the right, to be exercised in Franchisor's sole discretion, to determine whether Franchisee's Restaurant can be sustained as a Ford's Garage restaurant. If this Agreement is terminated by Franchisor for cause, Franchisor may exercise its right under Section 18.5 below to repurchase all or a portion of the Franchised Business and then, in Franchisor's sole discretion, to re-sell the Franchised Business to a new franchisee.

c) In addition to Franchisor's right to terminate this Agreement, and not in lieu of such right or any other rights, Franchisor has the right (but not the obligation) under this Agreement and the Collateral Assignment of Lease (Attachment 5), if Franchisee fails to cure any default within the applicable time period (if any), to enter upon and take possession of the Accepted Location, implement the Collateral Assignment of Lease and undertake the management of the Restaurant until such time that Franchisor, in its sole discretion, determine that the default(s) at issue have been cured and that Franchisee is in compliance with the terms of this Agreement. All monies from Franchisor's operation of the Business during such period of time shall be kept in a separate account, and the expenses of the Restaurant, including the Management Fee and expenses described in Section 3.9, shall be charged to said account. If Franchisor exercises its "step-in rights" pursuant to this Section and as provided for in the Step-In Rights Agreement attached hereto as Attachment 10, Franchisee must indemnify, defend and hold Franchisor (and its representatives and employees) harmless from and against any claims that may arise out of Franchisor's operation of the Restaurant.

## ARTICLE XVII: FRANCHISOR'S STEP-IN RIGHTS

### 17.1 Franchisor's Step-In Rights

If Franchisor determines in its sole judgment that Franchisee's operation of the Restaurant is deficient, or not compliant with Franchisor's standards, or if a default occurs under this Agreement, any other agreement that Franchisee has with Franchisor or Franchisor's Affiliates (if any) or the lease for the Accepted Location, then in order to prevent: (i) an interruption of the Franchised Business; or (ii) the continued operation of substandard Restaurant which would cause harm to the System and thereby lessen its value, Franchisee agrees that Franchisor shall have the right (but not the obligation) to operate the Restaurant for as long as Franchisor deems necessary and practical, and without waiver of any other rights or remedies which Franchisor may have under

this Agreement. In Franchisor's sole judgment, Franchisor may deem Franchisee incapable of operating the Restaurant if, without limitation:

a) Franchisee or Designated Manager is absent or incapacitated by reason of illness, injury or death;

b) Franchisee or Designated Manager has failed to discharge or has failed to remove any and all liens or encumbrances of every kind placed upon or against the Restaurant; or

c) Franchisor determines that operational problems require that Franchisor operate the Restaurant for a period of time that Franchisor determines, in its sole discretion, to be necessary to maintain the operation of the business as a going concern.

In connection with Franchisor's Step-In Rights, Franchisee acknowledge and expressly agrees to execute Franchisor's form of Step-In Rights Agreement, attached hereto as Attachment 10.

### 17.2 Step-In Rights – Duties of Parties

Franchisor shall keep in a separate account all monies generated by the operation of Franchisee's Restaurant, less the expenses of the business, including the Management Fee described in Section 3.9 and expenses for Franchisor's representatives. In the event Franchisor exercises its Step-In Rights (as provided for in our form of Step-In Rights Agreement attached hereto as Attachment 10), Franchisor agrees to indemnify, defend and hold Franchisee (and its representatives and employees) harmless from and against any claims that may arise out of Franchisor's operation of the Restaurant. Nothing contained herein shall prevent Franchisor from exercising any other right which it may have under this Agreement, including, without limitation, termination.

## ARTICLE XVIII: RIGHTS AND OBLIGATIONS UPON EXPIRATION OR TERMINATION

If this Agreement expires or terminates for any reason or is assigned by Franchisee, Franchisee will cease to be an authorized franchisee and Franchisee will lose all rights to the use of the Marks (including the FMC Marks), the System, all Confidential Information and know-how owned or developed by Franchisor and any goodwill (including "local" goodwill) engendered by the use of the Marks and/or attributed to the operation of Franchisee's Restaurant.

### 18.1 Actions to be Taken

Except as otherwise provided herein, upon termination or expiration, this Agreement and all rights granted hereunder to Franchisee shall terminate and Franchisee shall:

a) immediately cease to operate the Franchised Business and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Franchisor;

b) cease to use the Trade Secrets or other Confidential Information, the System

and the Marks including, without limitation, all signs, slogans, symbols, logos, advertising materials, stationery, forms and any other items which display or are associated with the Marks;

c) acknowledge and agree that Franchisor, at its option, has the right to withdraw from escrow the Collateral Assignment Franchisee executed simultaneously with this Agreement to effectuate Franchisee's assignment of any and all interest that Franchisee has in the Lease, sublease, right of entry or easement for the Accepted Location. Franchisee further acknowledges, that upon the implementation of such assignment, Franchisor (or Franchisor's designee, as Franchisor designates) has the right to take prompt possession of the Accepted Location and Franchisee expressly agrees to promptly and completely vacate Franchisee's Restaurant location and premises;

d) take such action as may be necessary to cancel or assign to Franchisor, at Franchisor's option, any assumed name or equivalent registration filed with state, city or county authorities which contains the name "Ford's Garage" or any other Mark, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within thirty (30) days after termination or expiration of this Agreement;

e) pay all sums owing to Franchisor and any Affiliate. In the event of termination for any default of Franchisee, such sums shall include, but not be limited to, all damages, costs and expenses, including reasonable attorneys' fees with respect to litigation, arbitration, appellate or bankruptcy proceedings, unpaid Royalty Fees, loss of future Royalty Fee payments incurred by Franchisee as a result of any early termination of this Agreement, and any other amounts due to Franchisor or any Affiliate;

f) pay to Franchisor all costs and expenses, including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination or expiration of the Franchise in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement;

g) immediately return to Franchisor the Operations Manual, Trade Secrets and all other Confidential Information including records, files, instructions, brochures, agreements, disclosure statements and any and all other materials provided by Franchisor to Franchisee relating to the operation of the Franchised Business (all of which are acknowledged to be Franchisor's property);

h) assign all telephone listings and numbers for the Franchised Business to Franchisor and shall notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any telephone numbers or facsimile numbers associated with the Marks in any regular, classified or other telephone directory listing and shall authorize transfer of same to or at the direction of Franchisor; and

i) comply with all other applicable provisions of this Agreement.

In the event that Franchisee fails to comply with the above referenced requirements, Franchisee hereby grants Franchisor with a power of attorney for the purpose of authorizing Franchisor (and its agents and designees) to act on Franchisee's behalf and take any action which is required in order to have Franchisee be in compliance with the above requirements. This power of attorney

shall survive the expiration or termination of this Agreement.

### 18.2 Post-Termination Covenant Not to Compete

Franchisee agrees to strictly comply with the post-termination/post-expiration covenants not to compete set forth in Article VII of this Agreement.

### 18.3 De-Identification

If Franchisor (or Franchisor's designee) elects not to receive an assignment or sublease of the Accepted Location, Franchisee shall make such modifications or alterations to the Accepted Location (including changing telephone and facsimile numbers) immediately upon termination or expiration of this Agreement as may be necessary to prevent any association between Franchisor or the System and any business subsequently operated by Franchisee or others at the Accepted Location. Franchisee shall make such specific additional changes to the Accepted Location as Franchisor may reasonably request for that purpose including, without limitation, removal of all trade dress and all physical and structural features identifying or distinctive to the System. If Franchisee fails, neglects or refuses to comply with the requirements of this Section, Franchisor has the right to enter upon the Accepted Location for the purpose of making or causing to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee shall pay upon demand.

### 18.4 Discontinuance of Communications with Franchisor's Vendors

For a period of two (2) years following the expiration or termination of this Agreement, Franchisee expressly agrees to immediately cease any and all communication with any of Franchisor's affiliates, vendors, suppliers, distributors or manufacturers (collectively referred to as "Ford's Garage Vendors") and Franchisee further agree that Franchisee will not contract, engage or attempt to contract or engage any Ford's Garage Vendor whom Franchisee: (i) was introduced to; (ii) came in contact with; or (iii) learned about during Franchisee's tenure as a Ford's Garage franchisee.

### 18.5 Franchisor's Option to Purchase Certain Operating Assets

In the event Franchisor terminates this Agreement as a result of Franchisee's default, Franchisee acknowledges and expressly agrees that Franchisor (or Franchisor's designee) has the right (but not the obligation) to purchase certain or all of Franchisee's Operating Assets as follows:

a) Inventory of Business Assets. Within fifteen (15) days from the date of termination or expiration of this Agreement, the parties will arrange for an inventory and evaluation to be made, at Franchisor's cost, of all of Franchisee's and the Restaurant's leasehold improvements, furniture, fixtures, equipment, inventory and supplies (collectively, the "Operating Assets"), which inventory must be completed within forty-five (45) days of the date of expiration or termination.

b) Exercise of Option. Upon termination or expiration of this Agreement and

evaluation according to its terms and conditions, Franchisor has the option, exercisable by giving Franchisee written notice within thirty (30) days after the inventory is completed, to purchase (or to have Franchisor's designee purchase) any Operating Assets that Franchisor designates. Franchisor has the unrestricted right to assign this option to purchase to any other person or entity, including, without limitation, to Franchisor's affiliate. Franchisor is entitled to all customary warranties and representations in connection with the purchase of Franchisee's Operating Assets, including, without limitation, representations and warranties as to ownership and condition of and title to assets, validity of contracts and agreements, and liabilities affecting the assets, contingent or otherwise.

c) Purchase Price. The purchase price for the Operating Assets Franchisor chooses to acquire will be the fair market value of such asset(s), provided that these items will not include any value for the Franchise or any rights granted by this Agreement, goodwill attributable to the Marks, Franchisor's brand image, and other intellectual property or participation in the network of System Restaurants.

(i) Fair Market Value Determination. In determining the fair market value of Franchisee's Operating Assets, Franchisor and Franchisee agree to first attempt to negotiate the fair market value. If after fifteen (15) days negotiation proves unsuccessful, then Franchisor and Franchisee will obtain an appraisal of the Operating Assets that will be submitted for mediation to help the parties to negotiate the fair market value of the Operating Assets. Mediation shall take no longer than two (2) days. In the event that mediation is unsuccessful, the parties shall submit their dispute concerning the fair market value of the membership interest to binding Arbitration before the American Arbitration Association (AAA), under the rules of the AAA, provided however, that there shall be a single arbitrator, and the arbitrator shall conduct the arbitration by what is known as "Baseball" or "Pendulum" arbitration, sometimes also referred to as "final offer arbitration". In the subject arbitration proceeding: (i) Franchisor and Franchisee will submit their respective appraisals of the fair market value of the Operating Assets; (ii) the proposal will be accompanied by a memorandum, which will not exceed fifteen (15) pages, as to why the party believes that its appraisal should be chosen by the arbitrator; (iii) the arbitrator will hold a hearing with respect to the issues at hand, which hearing shall not exceed two (2) days without the express written consent of each of the parties and the arbitrator; (iv) the arbitrator shall issue a written determination, choosing one (1) of the two (2) proposals and setting forth his or her reasons for doing so; and (v) there shall be no review or appeal from the arbitrator's determination. The parties agree that they will abide by and perform any award rendered by the arbitrator. In addition, there shall be no fee-shifting provision in the arbitration award and each party shall incur its own attorney's fees and costs, and the expenses of the arbitration, including filing fees and the fees of the arbitrator shall be shared. The venue for the arbitration shall be in Tampa, FL, as determined by the Franchisor. Once the fair market value has been agreed upon or determined (as the case may be), Franchisor agrees to pay, and Franchisee agrees to accept the purchase price at the closing, which will take place not later than sixty (60) days after the purchase price is agreed upon or determined. Notwithstanding the foregoing, Franchisor (or its assignee) may decide, after the purchase price is determined, not to exercise its purchase option and to withdraw its exercise of the option to purchase by sending written notice of such withdrawal to Franchisee within fifteen (15) days of determination of the Fair Market Value. Franchisor may set off against the purchase price, and reduce the purchase price

by, any and all amounts Franchisee owes Franchisor or Franchisor's affiliates, if any. At the closing, Franchisee agrees to deliver instruments transferring to Franchisor (or Franchisor's assignee): (a) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to Franchisor), with all sales and transfer taxes paid by Franchisee; and (b) all of the Business' licenses and permits which may be assigned or transferred.

**18.6** If Franchisee cannot deliver clear title to all of the purchased assets, or if there are other unresolved issues, Franchisor and Franchisee will close the sale through an escrow. Franchisee agrees to execute general releases, in a form satisfactory to Franchisor, of any and all claims against Franchisor and Franchisor's affiliates and Franchisor's and Franchisor's affiliates' respective shareholders, officers, directors, employees, agents, representatives, successors and assigns. If Franchisor exercises its rights under this Section 18.5, Franchisee agrees that Franchisee will be bound by the non-competition covenant contained in Section 7.8 above.

### 18.7 Survival of Certain Provisions

All obligations of Franchisor and Franchisee, which expressly or by their nature survive the expiration or termination of this Agreement, shall continue in full force and effect subsequent to and notwithstanding their expiration or termination and until satisfied or by their nature expire.

### 18.8 Liquidated Damages

If the Franchise Agreement is terminated before the expiration of the Term, Franchisee must pay to Franchisor within fifteen (15) days after the termination's effective date, liquidated damages equal to the average monthly Royalty Fees Franchisee was required to pay to Franchisor (or due to Franchisor if unpaid) during the thirty-six (36) months of operation before the termination (or if Franchisee has been operating for less than thirty-six (36) months, equal to the average monthly Royalty Fees Franchisee paid during the period that Franchisee has operated), multiplied by the lesser of: (i) thirty-six (36) months; or (ii) the number of months remaining in the term of this Agreement. The parties hereto acknowledge and agree that it would be impracticable to determine precisely the damages Franchisor would incur from this Agreement's termination and the loss of cash flow from Royalty Fees due to, among other things, the complications of determining what costs, if any, Franchisor might have saved and how much the Royalty Fees would have grown over what would have been this Agreement's remaining term. The parties agree that this liquidated damage provision is a reasonable, good faith pre-estimate of such damages. The liquidated damages provision only covers Franchisor's damages from the loss of cash flow from the Royalty Fees. It does not cover any other damages, including damages to the Marks, Confidential Information, reputation with the public and landlords and damages arising from a violation of any provision of this Agreement other than the Royalty Fee section. Franchisee agrees that the liquidated damages provision does not give Franchisor an adequate remedy at law for any default under, or for the enforcement of, any provision of this Agreement other than the Royalty Fee section.

## ARTICLE XIX: BENEFICIAL PRINCIPALS OF FRANCHISEE

### 19.1 Disclosure of Franchisee's Principals

Franchisee represents, and Franchisor enters into this Agreement in reliance upon such representation, that the individuals identified in Attachment 1 are the sole holders of a legal or beneficial interest (in the stated percentages) of Franchisee.

### 19.2 Change in Franchisee's Principals

Franchisee expressly acknowledges and agrees that any proposed change in the principals listed on Attachment 1 shall require Franchisor's prior written consent, which Franchisor can withhold or deny for any reason. In the event that Franchisor consent to Franchisee's change in ownership, Franchisee agrees to promptly update the Holders of a Legal or Beneficial Interest Form and provide such updated form to Franchisor.

## ARTICLE XX: RELATIONSHIP OF THE PARTIES

### 20.1 No Relationship

This Agreement is purely a contractual relationship between the parties and does not appoint or make Franchisee an agent, legal representative, joint venturer, partner, employee, servant or independent contractor of Franchisor for any purpose whatsoever. Franchisee may not represent or imply to third parties that Franchisee is an agent of Franchisor, and Franchisee is in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor, or to create any obligation, express or implied, on Franchisor's behalf.

### 20.2 Independent Contractor

During the term of this Agreement, and any extension or renewal hereof, Franchisee agrees to identify itself conspicuously in all dealings with customers, suppliers, public officials, Restaurant personnel and others as the Restaurant's owner under a franchise Franchisor has granted. Franchisee shall take such affirmative action as may be necessary to do so including, without limitation, exhibiting a notice of that fact in a conspicuous place on the Accepted Location and on all forms, stationery or other written materials, the content of which Franchisor has the right to specify.

### 20.3 No Liability for Acts of Other Party

Franchisor and Franchisee agree not to make any express or implied agreements, warranties, guarantees or representations, or incur any debt, in the name or on behalf of the other or represent that their relationship is other than franchisor and franchisee. Under no circumstances shall Franchisor be liable for any act, omission, contract, debt, nor any other obligation of Franchisee. Franchisor shall in no way be responsible for any injuries to persons or property resulting from the operation of the Franchised Business. Any third-party contractors and vendors retained by Franchisee to convert or construct the premises are independent contractors of Franchisee alone.

### 20.4 Display of Disclaimer

Franchisor must conspicuously display a sign that states that "This Ford's Garage Restaurant Is An Independently Owned and Operated Franchised Business" and/or such other notices of independent ownership that Franchisor periodically specifies at the Accepted Location. Franchisee agrees to place notices of independent ownership on all forms, business cards, stationary, purchase order forms, invoices, leases, tax returns and other documents Franchisee uses in Franchisee's business dealings with suppliers, lessors, government agencies, employees and customers. Franchisor may, but is not obligated to, provide Franchisee with acceptable language for such disclaimers.

## ARTICLE XXI: INDEMNIFICATION

### 21.1 Indemnification by Franchisee

To the fullest extent permitted by law, Franchisee shall, at Franchisee's sole cost and expense, hold harmless and indemnify Franchisor, any Affiliate, all holders of a legal or beneficial interest in Franchisor and all officers, directors, executives, managers, members, partners, principals, employees, agents, successors and assigns (collectively "Franchisor Indemnitees") from and against all losses, damages, fines, costs, expenses or liability (including reasonable attorneys' fees and all other costs of litigation) incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement thereof, which arises from, is based upon or is related to:

a) any personal injury, bodily injury or property damage whatsoever occurring in or at the location of the Franchised Business;

b) any bodily injury to an employee of Franchisee arising out of and in the course of employment of the employee;

c) Franchisee's ownership or operation of the Franchised Business;

d) Franchisee's breach of the lease for the Accepted Location;

e) Franchisee's violation, breach or asserted violation or breach of any federal, state or local law, regulation or rule;

f) Franchisee's breach of any representation, warranty, covenant, or provision of this Agreement or any other agreement between Franchisee and Franchisor (or an Affiliate);

g) Franchisee's defamation of Franchisor or the System;

h) Franchisee's acts, errors or omissions committed or incurred in connection with the Franchised Business and or place of operations, including any negligent or intentional acts; or

i) Franchisee's infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Trade Secrets or other Confidential Information. The obligations of this Section shall expressly survive the termination of this

Agreement.

### 21.2 Notification of Action or Claim

Franchisee shall give Franchisor immediate notice of any such action, suit, proceeding, claim, demand, inquiry or investigation that may give rise to a claim for indemnification by a Franchisor Indemnitee. Franchisor has the right (but not the obligation) to retain counsel of its own choosing in connection the defense and/or settlement of any such action, suit, proceeding, claim, demand, inquiry or investigation. Should Franchisor elect to retain counsel, Franchisee acknowledges and agrees that such an undertaking by Franchisee shall, in no way, diminish the obligation of Franchisee (and Franchisee's principals) to indemnify the Franchisor Indemnitees and to hold them harmless, and to be represented by counsel of Franchisee's own choosing with respect to any such action, suit, proceeding, claim, demand, inquiry or investigation in which Franchisee is personally named.

### 21.3 Franchisor's Right to Settle

In order to protect persons, property, Franchisor's reputation or the goodwill of others, Franchisor has the right to, at any time without notice, consent or agree to settlements or take such remedial or corrective actions as it deems expedient with respect to any action, suit, demand, claim, investigation or proceeding if, in Franchisor's sole judgment, there are grounds to believe:

a) any of the acts or circumstances listed in Section 21.1 above have occurred; or

b) any act, error, or omission as described in Section 21.1(viii) may result directly or indirectly in damage, injury, or harm to the System, any person or any property.

### 21.4 Recovery from Third Parties

If Franchisor's exercise of its rights under this Section to settle or take corrective or remedial action, causes any of Franchisee's insurers to refuse to pay a third-party claim, all cause of action and legal remedies Franchisee might have against such insurer shall automatically be assigned to Franchisor without the need for any further action on either party's part. Under no circumstances shall Franchisor be required or obligated to seek coverage from third parties or otherwise mitigate losses in order to maintain a claim against Franchisee. The failure to pursue such remedy or mitigate such loss shall in no way reduce the amounts recoverable by Franchisor from Franchisee.

### 21.5 Survival of Terms

Franchisee (and Franchisee's principals) expressly agree that the terms of this Article XXI shall survive the termination, expiration or transfer of this Agreement or any interest herein.

## ARTICLE XXII: DISPUTE RESOLUTION; CHOICE OF LAW; JURISDICTION; WAIVER OF JURY TRIAL

### 22.1 Dispute Resolution

The Parties have reached this Agreement in good faith and in the belief that it is mutually advantageous to them. In the same spirit of cooperation, except as expressly set forth herein, they pledge to try to resolve any and all disputes, including those arising out of or related to this Agreement, the relationship of the parties, the offer and sale of the Franchised Business (including disputes alleging tortious conduct and/or statutory violations), without resorting to litigation or arbitration. The Parties agree that if any dispute arises between them, then in such event, before beginning any legal action or arbitration, including to interpret or enforce this Agreement, they will first follow the procedures described in this Article XXII.

a) Initiation of Procedures. The Party that initiates these procedures ("Initiating Party") shall give written notice to the other Party, describing in general terms the nature of the dispute, specifying the Initiating Party's claim for relief, and identifying one or more people with authority to settle the dispute for him, her, or it. The Party receiving the notice ("Responding Party") will, within ten (10) days of receipt of said notice, provide the Initiating Party with a response to the Initiating Party's description of the dispute and will designate, by written notice to the Initiating Party, one or more people with authority to settle the dispute on the Responding Party's behalf. These people are called the "Authorized People."

b) Negotiation. The parties may investigate the dispute as they consider appropriate, but agree to meet in person, by prearranged teleconference, or by video conference within fifteen (15) days from the date of written notice from one party ("Initiating Party") to the other to discuss resolution of the dispute. The parties may meet at any times and places and as often as they agree.

c) Mediation. If the dispute has not been resolved within thirty (30) days after the initial meeting, the Parties shall engage in mediation as a pre-condition to litigation or arbitration, with either Party having the right to begin mediation procedures by filing a Request for Mediation with the American Arbitration Association ("AAA") and providing the other Party with a copy thereof in the manner designated for written notices in this Agreement. The mediation will be conducted by and under the AAA, or under the auspices of such other organization or mediator to which the parties may agree and shall last no longer than two (2) days, unless otherwise agreed upon by written agreement of the parties. The parties will share the costs and expenses associated with the mediation, equally, other than attorneys' fees which shall be borne by the party incurring them. The parties shall choose one (1) mutually acceptable mediator by agreement. In the event that the Parties are not able to agree on the selection of a mediator, the Parties agree that the AAA will designate a mediator in connection with the dispute in accordance with its procedures and policies. The Mediation will be held in in person in Tampa, FL as designated by us, or if no such designation is made, at such other location as is mutually agreed upon by the parties. Franchisor will not be required to first attempt to mediate a controversy,

dispute, or claim through mediation as set forth in this Section 22.1(iii) if such controversy, dispute, or claim concerns an allegation that Franchisee has violated (or threatens to violate, or poses an imminent risk of violating): (i) any federally protected intellectual property rights in the Proprietary Marks, the System, or in any Confidential Information; and (ii) any of the restrictive covenants contained in this Agreement, including, without limitation the non-competition covenants.

d) Arbitration. Subject to Section 22.1(e) below and Section 23.4 below (entitled "Injunctive Relief"), any controversies, disputes or claims between Franchisor (its Affiliates, if any, and our respective shareholders, officers, directors, agents, employees, successors and assigns) and Franchisee (Franchisee's principals, guarantors, and their respective officers, directors, agents, employees, successors and assigns) under, arising out of, in connection with, or related to this Agreement and/or the offer and sale of the franchise to Franchisee (including tort, negligence and statutory claims) if not resolved by the negotiation and mediation procedures above, shall be settled by arbitration administered by the AAA under its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator may be entered in any state or federal court of competent jurisdiction within the State of Florida. Any arbitration shall be before a single arbitrator and the arbitration shall be held at a location within Tampa, FL, as selected by the Parties, or, if the Parties cannot agree on a location, at a location as directed by the arbitrator. The Federal Arbitration Act shall govern, excluding all state arbitration laws. Florida law will govern all other issues. The decision of the arbitrator will be final and binding upon the parties. This arbitration clause will not deprive either party of any right it may otherwise have to seek provisional injunctive relief from a court of competent jurisdiction. However, the arbitrator does not have the right to award to Franchisee (or Franchisee's owners, guarantors or principals) any punitive, exemplary, incidental, indirect, special, consequential or other similar damages against Franchisor or any of its Affiliates, officers, directors, employees, members or owners. As also expressly provided in Section 22.5 ("Limitation of Damages"), Franchisee (and Franchisee's owners, guarantors and principals) hereby waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special, consequential, exemplary, or other similar damages. The arbitrator shall award to the successful party, the costs and expenses incurred during and in connection with the arbitration proceeding, including without limitation, filing fees, administrative fees, arbitrator compensation and expenses, attorneys' fees and expenses (including travel, food and lodging), discovery related expenses and expert witness fees. The parties acknowledge and agree that the limitation of claims provision set forth in Section 22.6 of this Agreement applies to claims asserted in arbitration and is hereby incorporated by reference.

e) Disputes Not Subject to the Arbitration Process. Notwithstanding anything contained in this Section 22.1 or otherwise, Franchisor has the right to commence a legal action in any court of competent jurisdiction in order to assert claims or disputes (or portions thereof) which relate primarily to the enforceability of, and/or ownership rights in and to, the Trade Name, Marks, including, for example disputes governed by the U.S. Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law. Any such legal action may be commenced in court regardless of the type of relief sought (e.g., whether money damages or a temporary restraining order and/or temporary or preliminary injunctive relief). Notwithstanding the above, nothing shall restrict or prohibit Franchisor from bringing any such claims referenced in this paragraph as part of or within an arbitration proceeding. Any covenant to negotiate, mediate or

arbitrate disputes in accordance with Section 22.1 will not apply to any legal actions which are brought in court pursuant to this paragraph.

Notwithstanding anything contained in this Section 22.1 or otherwise, Franchisor has the right to commence a legal action in any court of competent jurisdiction bringing claims or disputes (or portions thereof) where the relief sought is a temporary restraining order and/or temporary or preliminary injunctive relief and where the claim(s) or dispute(s) relate(s) primarily to the enforceability of provisions in this Agreement relating to restrictions with respect to: (i) Trade Secrets or Confidential Information (as defined herein) that Franchisor has licensed to Franchisee; (ii) non-disparagement; or (iii) non-competition. Any covenant to negotiate, mediate or arbitrate disputes in accordance with Section 22.1 will not apply to circumstances under which Franchisor shall have the right to seek injunctive relief as provided in this Agreement. To the extent that Franchisor brings claims or disputes relating to (i), (ii) or (iii) in this paragraph, where injunctive relief is not sought, then any such claims shall be subject to the dispute resolution procedures contained in this Section 22.1 (a) through (d) (e.g., relating to negotiation, mediation and arbitration).

Notwithstanding anything contained in this Section 22.1 or otherwise, Franchisor and/or Franchisor's affiliate(s) have the right to commence a legal action in any court of competent jurisdiction with respect to any claims relating to monies owed to Franchisor or its Affiliate(s). In the event that such an action is commenced, neither Franchisor nor Franchisor's affiliate(s) shall be required to comply with the provisions relating to negotiation, mediation and arbitration which are contained in this Article XXI.

If the provisions of this subsection are unenforceable or would result in rendering this Section 22.1(e) (or any portion thereof) unenforceable for any reason, the dispute shall be subject to negotiation, mediation, arbitration and appeal of any arbitration decision as provided in this Article XXI.

f) Individual Dispute Resolution. Franchisor and Franchisee agree that arbitration shall be conducted on an individual, not a class-wide, basis and that an arbitration proceeding between Franchisor and Franchisee shall not be consolidated with any other arbitration proceeding involving Franchisor and any other natural person, association, corporation, partnership or other entity, including any current or former System franchisee.

g) Performance During Resolution of Disputes. Franchisor and the Franchisee will fully perform their obligations under this Agreement during the entire dispute resolution process.

h) Survival. The provisions of this Section 22.1 shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. Nothing contained in this Section 22.1, shall restrict or prohibit the Franchisor from exercising its "Step-In Rights" as provided for in this Agreement.

**22.2 Choice of Law**

Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without reference to its conflict of laws principles). The parties hereby submit all such disputes not governed by the U.S. Trademark Act of 1946 (or breaches of the confidentiality, non-disparagement or non-compete provisions hereof set forth in Article VII herein or in the Confidentiality Agreement or Non-Competition Agreement, the form of which are attached hereto as Attachments 7 or 8 respectively) to binding arbitration as set forth in Section 22.1(d) above. References to any law refer also to any successor laws and to any published regulations for such law as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

### 22.3 Consent to Jurisdiction

Subject to Section 22.1(e) and Section 23.4 ("Injunctive Relief"), any action brought by either party except those claims required to be submitted to arbitration, shall only be brought in the appropriate state or Federal courts located in or serving Tampa, Florida. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may be brought by Franchisor where Franchisee is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction.

### 22.4 Cumulative Rights and Remedies

No right or remedy conferred upon or reserved to Franchisor or Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be in addition to every other right or remedy. Nothing contained herein shall bar Franchisor's right to obtain injunctive relief against threatened conduct that may cause it loss or damages, including obtaining restraining orders and preliminary and permanent injunctions.

### 22.5 Limitation of Damages

Except for the following claims arising out of this Agreement: (i) Franchisee's obligation to indemnify Franchisor for third party claims under subsection (h) of 21.1 (Indemnification by Franchisee), relating to claims for indemnification arising out of Franchisee's infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Trade Secrets or other Confidential Information; (ii) claims for breach of Franchisee's obligations under Section 7.3 (Restrictions on Use of Confidential Information); (iii) claims for breach of Franchisee's obligations under Section 7.7 (Non-Disparagement); and (iv) claims for breach of Franchisee's obligations under Section 7.8 (Covenant Not to Compete), neither party will be entitled to recover special, consequential, exemplary or punitive damages under this Agreement. Subject to the above, the parties each waive, to the fullest extent permitted by law, any right or claim for any punitive or exemplary damages against the other and agree that if there is a dispute with the other, each will be limited to the recovery of actual damages sustained by it including reasonable accounting and legal fees. Franchisee waives and disclaims any right to consequential damages in any action or claim

against Franchisor concerning this Agreement or any related agreement. In any claim or action brought by Franchisee against Franchisor concerning this Agreement, Franchisee's contract damages shall not exceed and shall be limited to refund of the initial franchise fee Franchisee paid to Franchisor pursuant to this Agreement.

### 22.6 Contractual Limitations Period.

Franchisee, on behalf of itself and Franchisee's officers, directors, owners and guarantors, expressly agrees that no claim or cause of action may be filed or maintained against Franchisor and/or any of Franchisor's present and former owners, officers, directors, employees, representatives, affiliates, parent companies, subsidiaries, predecessor, successors and assigns (each a "Franchisor Related Party") arising out of or relating to this Agreement, the relationship established by this Agreement, the offer and sale of the franchise opportunity, and/or the operation of the Franchised Business unless such claim or cause of action is filed before the expiration of the "Limitations Period". For purposes of this paragraph, the term "Limitations Period" means: one (1) year from the earlier of: (a) the date of the act, transaction or occurrence giving rise to the claim against us or a Franchisor Related Party; or (b) the date on which Franchisee (or Franchisee's officers, directors, owners and/or guarantors) knew or reasonably should have known of the facts or circumstances giving rise to the claim against Franchisor or a Franchisor Related Party. Notwithstanding the foregoing, if the Limitations Period is unenforceable under Florida law, then the Limitations Period shall be equal to the shortest time period for a limitation of claims provision that is enforceable under Florida law. This contractual limitation of claims provision applies to all claims, whether based on contract, tort, statute, or any other legal theory. Franchisee acknowledges that this limitation of claims provision and the Limitations Period is a material inducement for Franchisor to enter into this Agreement and that it is intended to provide certainty and finality to potential disputes. To the fullest extent permitted by law, Franchisee hereby waives any longer statutory limitation period and agrees that the foregoing limitation is reasonable and enforceable.

### 22.7 Waiver of Jury Trial and Class Action

Each party hereby irrevocably waives all rights to trial by jury in any action, proceeding or counterclaim, whether at law or equity, regardless of which party initiates the suit. This waiver applies to any matter arising out of or in any way related to this Agreement, the parties' performance under or breach of this Agreement, and Franchisee's purchase from Franchisor of the Franchised Business and/or any goods or services. Franchisee additionally waives the right to initiate or participate in a class action in any forum, including without limitation, participating in any class or group arbitration, and the parties agree that all proceedings arising out of or related to this Agreement or Franchisee's purchase of the Franchised Business will be conducted on an individual, and not a class-wide basis. The parties acknowledge and further agree that any proceeding between Franchisee, Franchisee's Guarantor(s) and Franchisor or Franchisor's affiliates, officers and/or employees may not be consolidated with any other proceeding between Franchisor and any other third party.

## ARTICLE XXIII: GENERAL CONDITIONS AND PROVISIONS

### 23.1 Entire Agreement

This Agreement and all attachments to this Agreement constitute the entire, full and complete agreement and understanding between the parties and supersede any and all prior negotiations, understandings, representations, and agreements, no other representations, promises, warranties or agreements have induced Franchisee to execute this Agreement. Both parties acknowledge and agree that there are no oral or written representations, promises, assurances, warranties, covenants, "side-deals", rights of first refusal, options or understandings other than those expressly contained in this Agreement. This Agreement supersedes all prior agreements, no other representations, promises, warranties, assurances, covenants, "side deals", rights of first refusal, options or understandings having induced Franchisee to execute this Agreement. The Parties agree that, in entering into this Agreement, they are each relying on their own judgment, belief and knowledge as to any claims and further acknowledge that no promise, inducement or agreement or any representations and warranties not expressed herein have been made to procure their agreement hereto. The parties further acknowledge that they have read, fully understand and fully agreed to the terms of this Agreement. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the franchise disclosure document that Franchisor furnished to Franchisee.

### 23.2 Binding Effect

This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. Subject to Franchisor's right to modify the Operations Manual and System Standards, this Agreement shall not be modified except by written agreement signed by Franchisor and Franchisee.

### 23.3 No Waiver

No failure of Franchisor to exercise any power reserved to it hereunder, or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom nor practice of the parties in variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with the terms of this Agreement. Waiver by Franchisor of any particular default by Franchisee shall not be binding unless in writing and executed by Franchisor and shall not affect nor impair Franchisor's right with respect to any subsequent default of the same or of a different nature. Subsequent acceptance by Franchisor of any payment(s) due shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

### 23.4 Injunctive Relief

As Franchisee's breach of any of the restrictions contained in Articles VI, VII and VIII would result in irreparable injury to Franchisor, and as the damages arising out of any such breach would be difficult to ascertain, in addition to all other remedies provided by law or in equity, Franchisor shall be entitled to seek injunctive relief (whether a restraining order, a preliminary injunction or a permanent injunction) against any such breach, whether actual or contemplated, without the necessity of posting security or bond and Franchisee shall be responsible for Franchisor's reasonable attorneys'

fees incurred in pursuing the same. Franchisor's right to seek injunctive relief will not affect the parties' waiver of jury trial.

### 23.5 Notices

Whenever notice is required or permitted to be given under the terms of this Agreement, it shall be given in writing and be delivered personally or by certified mail or courier, postage prepaid, addressed to the party for whom intended, and shall be deemed given on the date of delivery or delivery is refused. All such notices shall be addressed to the party to be notified at their respective addresses as set forth in the introductory paragraph of this Agreement, or at such other address or addresses as the parties may from time to time designate in writing.

### 23.6 Cost of Enforcement or Defense

If Franchisor or Franchisee is required to enforce this Agreement in a judicial or arbitration proceeding, in addition to any other relief to which the prevailing party may be entitled, the prevailing party shall be entitled to reimbursement of its costs and expenses including without limitation, reasonable attorneys' (and paralegal) fees, accountant's fees, investigative fees, expert fees, filing fees, arbitrator compensation and expenses, court costs, taxes and all expenses, together with all costs and expenses incident to arbitration, post-award or post-judgment proceedings and appellate proceedings incurred by the prevailing party in that action or proceeding. As used in this Agreement, the "prevailing party" is the party who recovers greater relief in the action.

### 23.7 Guaranty and Assumption of Obligations

All holders of a legal or beneficial interest in Franchisee shall be required to execute, as of the date of this Agreement, the Guaranty and Assumption of Obligations attached as Attachment 9, through which such holders agree to assume and discharge all of Franchisee's obligations under this Agreement and to be personally liable hereunder for all of the same.

### 23.8 Approvals

Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor for such approval and, except as otherwise provided herein, any approval or consent granted shall be effective only if in writing. Franchisor makes no warranties or guarantees upon which Franchisee may rely and assumes no liability or obligation to Franchisee or any third party to which it would not otherwise be subject, by providing any waiver, approval, advice, consent or services to Franchisee in connection with this Agreement, or by reason of any neglect, delay or denial of any request for approval.

### 23.9 Severability and Modification

a) Except as noted below, each paragraph, part, term and provision of this

Agreement shall be considered severable. If any paragraph, part, term or provision herein is ruled to be unenforceable, unreasonable or invalid, such ruling shall not impair the operation of or affect the remaining portions, paragraphs, parts, terms and provisions of this Agreement, and the latter shall continue to be given full force and effect and bind the parties; and such unenforceable, unreasonable or invalid paragraphs, parts, terms or provisions shall be deemed not part of this Agreement. If Franchisor determines that a finding of invalidity adversely affects the basic consideration of this Agreement, Franchisor has the right to, at its option, terminate this Agreement.

b) Notwithstanding the above, each of the covenants contained in Articles VII and XVII shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of any such covenant is held to be unenforceable, unreasonable or invalid, then it shall be amended to provide for limitations on disclosure of Trade Secrets or other Confidential Information or on competition to the maximum extent provided or permitted by law.

### 23.10 Construction

All captions herein are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

### 23.11 Force Majeure

Whenever a period of time is provided in this Agreement for either party to perform any act, except pay monies, neither party shall be liable nor responsible for any delays due to strikes, lockouts, casualties, acts of God, war, terrorism, governmental regulation or control or other causes beyond the reasonable control of the parties, and the time period for the performance of such act shall be extended for the amount of time of the delay. This clause shall not result in an extension of the term of this Agreement.

### 23.12 Withholding Payments

Franchisee shall not, for any reason, withhold payment of any Royalty Fees or other amounts due to Franchisor or to an Affiliate. Franchisee shall not withhold or offset any amounts, damages or other monies allegedly due to Franchisee against any amounts due to Franchisor. No endorsement or statement on any payment for less than the full amount due to Franchisor will be construed as an acknowledgment of payment in full, or an accord and satisfaction, and Franchisor has the right to accept and cash any such payment without prejudice to Franchisor's right to recover the full amount due, or pursue any other remedy provided in this Agreement or by law. Franchisor has the right to apply any payments made by Franchisee against any of Franchisee's past due indebtedness as Franchisor deems appropriate. Franchisor shall set off sums Franchisor owes to Franchisee against any unpaid debts owed by Franchisee to Franchisor.

### 23.13 Further Assurances

Each party to this Agreement will execute and deliver such further instruments, contracts, forms or other documents, and will perform such further acts, as may be necessary or desirable to perform or complete any term, covenant or obligation contained in this Agreement.

### 23.14 Third-Party Beneficiaries

Anything to the contrary notwithstanding, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisor or Franchisee, and their respective successors and assigns as may be contemplated by this Agreement, any rights or remedies under this Agreement.

**Disparity in Franchise Agreements and Renewal Franchise Agreements**

No warranty or representation is made by Franchisor that all current (or future) Ford's Garage Restaurant franchise agreements issued by Franchisor do (or will) contain terms substantially similar to those contained in this Agreement. Further, Franchisee recognizes and agrees that Franchisor may, in its reasonable business judgment, waive or modify comparable provisions of other franchise agreements heretofore or hereafter granted to Ford's Garage Restaurant franchise principals in a non-uniform manner.

### 23.15 Counterparts

The parties hereby agree that this Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement. The parties further agree that in the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

## ARTICLE XXIV: ACKNOWLEDGEMENTS

### 24.1 Franchisee Representations

Franchisee represents and warrants to Franchisor, with the intention that Franchisor is relying thereon in entering into this Agreement, that:

a) If Franchisee is a corporation, limited liability company, general partnership, partnership, or limited partnership, then Franchisee is organized under the laws of the state of Franchisee's principal place of business (or another state which Franchisee has identified to Franchisor) and is in good standing with and qualified to do business in each state and political/governmental subdivision having jurisdiction over the Franchised Business.

b) If Franchisee is a corporation, limited liability company, general partnership, partnership, or limited partnership, Franchisee has all corporate power and authority to execute, deliver, consummate and perform this Agreement, and it will be binding upon Franchisee and

Franchisee's successors and assigns when executed.

c) Franchisee does not have any material liabilities, adverse claims, commitments or obligations of any nature as of the date of execution of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise which are not reflected as liabilities on the balance sheets of Franchisee's current financial statements, which Franchisee has furnished to Franchisor before the execution of this Agreement.

d) As of the date of execution of this Agreement, there are no actions, suits, proceedings or investigations pending or, to Franchisee's knowledge or the knowledge any of Franchisee's officers, directors, principal shareholders, proprietors or partners (as applicable) after due inquiry, threatened, in any court or arbitral forum, or before any governmental agency or instrumentality, nor to the best of Franchisee's knowledge or the knowledge of any such persons or entities (after due inquiry) is there any basis for any claim, action, suit, proceeding or investigation which affects or could affect, directly or indirectly, any of Franchisee's assets, properties, rights or business; Franchisee's right to operate and use Franchisee's assets, properties or rights to carry on Franchisee's business; and/or which affects or could affect Franchisee's right to assume and carry out in all respects the duties, obligations and responsibilities specified in this Agreement.

e) Neither Franchisee nor any of Franchisee's Principals is a party to any contract, agreement, covenant not to compete or other restriction of any type which may conflict with, or be breached by, the execution, delivery, consummation and/or performance of this Agreement.

f) All of Franchisee's representations and warranties contained in this Agreement are complete, correct and accurate as of the date of execution of this Agreement and will survive any termination or expiration of this Agreement.

***[The next page is the signature page.]***

Each of the parties hereto has caused this Agreement to be executed by its duly authorized representative as of the date first above written.

FRANCHISOR:
**VINTAGE HOSPITALITY GROUP, LLC**

By:_____
Name:_____
Title:_____

FRANCHISEE:

By:_____
Name: _____
Title: _____
Address:_____

PRINCIPALS:

_____
Name:_____

_____
Name:_____

# ATTACHMENT 1

## HOLDERS OF LEGAL OR BENEFICIAL INTEREST IN FRANCHISEE; PRINCIPALS; OFFICERS; DIRECTORS; DESIGNATED MANAGER

**Holders of Legal or Beneficial Interest:**

***Name: _____
Position/Title: _____
Home Address: _____
Telephone No.: _____
E-mail address: _____
Percentage of ownership: _____%

Name: _____
Position/Title: _____
Home Address: _____
Telephone No.: _____
E-mail address: _____
Percentage of ownership _____%

Name: _____
Position/Title: _____
Home Address: _____
Telephone No.: _____
E-mail address: _____
Percentage of ownership: _____%

Name: _____
Position/Title: _____
Home Address: _____
Telephone No.: _____
E-mail address: _____
Percentage of ownership _____%

**Officers and Directors:**

***Name: _____
Position/Title: _____
Home Address: _____
Telephone No.: _____
E-mail address: _____
Percentage of ownership: _____%

Name: _____
Position/Title: _____
Home Address: _____
Telephone No.: _____
E-mail address: _____
Percentage of ownership _____%

Name: _____
Position/Title: _____
Home Address: _____
Telephone No.: _____
E-mail address: _____
Percentage of ownership: _____%

Name: _____
Position/Title: _____
Home Address: _____
Telephone No.: _____
E-mail address: _____
Percentage of ownership _____%

**Designated Manager:**

Print Name: _____
Position/Title: _____
Telephone No.: _____
E-Mail Address: _____

*** This individual is a shareholder, member, or partner of Franchisee and is the principal person to be contacted on all matters relating to the Franchised Business.

# ATTACHMENT 2

## RESTAURANT LOCATION AND PROTECTED TERRITORY/DMA

**If the Restaurant Location is determined on the Effective Date:**

**RESTAURANT LOCATION**

Pursuant to Section 2.2 of the Franchise Agreement, the Franchised Business shall be located at the following Accepted Location: _____

**PROTECTED TERRITORY**

Pursuant to Section 2.7 of the Franchise Agreement, Franchisee's Protected Territory/DMA shall be defined by and exist within the following zip codes or other physical, political or natural boundaries (if identified on a map, please attach map and reference attachment below):

_____

_____

**If the Restaurant Location is not determined on the Effective Date:**

If the Accepted Location is not determined as of the Effective Date, then the geographic area in which the Accepted Location is to be located shall be within the geographic area described below (the "Designated Area"):

_____

_____

# ATTACHMENT 3
## ACH Debit Authorization Form

# ATTACHMENT 4

## GENERAL RELEASE

This General Release is made by _____, ("RELEASOR") a/n _____ _____with a principal address of _____ _____ in consideration of:

_____the execution by Vintage Hospitality Group, LLC, a Florida Limited Liability Company ("RELEASEE"), of a successor Franchise Agreement or other renewal documents renewing the franchise (the "Franchise") granted to RELEASOR by RELEASEE pursuant to that certain Franchise Agreement (the "Franchise Agreement") between RELEASOR and RELEASEE; or

_____RELEASEE'S consent to RELEASOR'S assignment of its rights and duties under the Franchise Agreement; or

_____RELEASEE'S consent to RELEASOR'S assumption of rights and duties under the Franchise Agreement,

and other good and valuable consideration, the adequacy of which is hereby acknowledged the sufficiency and receipt of which is hereby acknowledged, and in reliance upon the representations, warranties, and comments herein are set forth, do agree as follows:

1. RELEASOR hereby releases and discharges RELEASEE, RELEASEE'S officers, directors, shareholders, managers, members, partners, principals, employees and agents (in their corporate and individual capacities), and RELEASEE'S successors and assigns, from any and all causes of action, suits, debts, damages, judgments, executions, claims and demands whatsoever, in law or in equity, in tort or in contract, whether accrued or unaccrued, that RELEASOR and RELEASOR'S heirs, executors, administrators, successors and assigns had, now have or may have, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the date of this RELEASE, including those arising out of or related to the Franchise or the Franchise Agreement, the offer and sale of the franchise opportunity, the negotiations leading up to the execution of the Franchise Agreement, the operation of the Franchise and/or any claims arising under or related to any federal, state and local laws, rules and ordinances. RELEASOR further promises never from this day forward, directly or indirectly, to institute, prosecute, commence, join in, or generally attempt to assert or maintain any action thereon against the RELEASEE, any affiliate, successor, assign, parent corporation, subsidiary, director, officer, shareholder, employee, agent, executor, administrator, estate, trustee or heir, in any court or tribunal of the United States of America, any state thereof, or any other jurisdiction for any matter or claim arising before execution of this Agreement. In the event RELEASOR breaches any of the promises covenants, or undertakings made herein by any act or omission, RELEASOR shall pay, by way of indemnification, all costs and expenses of RELEASEE, RELEASEE'S officers, directors, shareholders, managers, members, partners, principals, employees and agents (in their corporate

and individual capacities), and RELEASEE'S successors and assigns caused by the act or omission, including reasonable attorneys' fees.

2. RELEASOR hereto represents and warrants that no portion of any claim, right, demand, obligation, debt, guarantee, or cause of action (including any tort and/or negligence claims) has been assigned or transferred by RELEASOR party to any other party, firm or entity in any manner including, but not limited to, assignment or transfer by subrogation or by operation of law. In the event that any claim, demand or suit shall be made or institute against any released party because of any such purported assignment, transfer or subrogation, the assigning or transferring party agrees to indemnify and hold such released party free and harmless from and against any such claim, demand or suit, including reasonable costs and attorneys' fees incurred in connection therewith. It is further agreed that this indemnification and hold harmless agreement shall not require payment to such claimant as a condition precedent to recovery under this paragraph

3. Each party acknowledges and warrants that his, her or its execution of this Agreement is free and voluntary.

4. Any action brought by either party regarding this Release, shall only be brought in the appropriate state or federal court located in or serving Tampa, Florida. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision.

5. Florida law shall govern the validity and interpretation of this Agreement, as well as the performance due thereunder. This Agreement is binding upon and inures to the benefit of the respective assigns, successors, heirs and legal representatives of the parties hereto.

6. In the event that any action is filed to interpret any provision of this Agreement, or to enforce any of the terms thereof, the prevailing party shall be entitled to its reasonable attorneys' fees and costs incurred therein, and said action must be filed in the State of Florida.

7. This General Release shall not be amended or modified unless such amendment or modification is in writing and is signed by RELEASOR and RELEASEE.

8. This Agreement may be signed in counterparts, each of which shall be binding against the party executing it and considered as the original.

*[Signature page to follow.]*

IN WITNESS WHEREOF, RELEASOR has executed this General Release as of the date first above written.

RELEASOR:_____
(type/print name)
By: _____

Name Printed:_____

Title:_____

Date:_____

# ATTACHMENT 5

## LEASE RIDER & COLLATERAL ASSIGNMENT RIGHTS

**THIS RIDER TO LEASE** made this___day of_____, 20__, by and between **[LANDLORD]**, ("Landlord"), and **[TENANT]**, a _____ and duly authorized franchisee ("Tenant") of **Vintage Hospitality Group, LLC**, a Florida limited liability company, with its principal offices at 501 N Reo St, Suite 102 Tampa, Florida 33609 ("Franchisor").

**WHEREAS**, the parties desire that this Lease Rider to supplement and form a part of that certain lease between Landlord and Tenant, dated _____, 20__ (the "Lease") for the leased premises located at _____ (the "Leased Premises");

**WHEREAS**, the parties are entering into this Lease Rider in connection with Franchisor's grant of a franchise to Tenant to operate a Ford's Garage Restaurant at the Leased Premises;

**WHEREAS**, the parties intend that this Lease Rider provide Franchisor with the opportunity to preserve the Leased Premises as a Ford's Garage Restaurant franchise under Franchisor's brand in the event of: (i) Tenant's default under the Lease or the Franchise Agreement; (ii) the termination of Tenant's right under the Lease; or (iii) the expiration or termination of the Franchise Agreement between Franchisor and Tenant; and

**NOW, THEREFORE**, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged:

1. Landlord hereby agrees to notify Franchisor, in writing, of and upon Tenant's failure to cure any default by Tenant under the Lease, and to provide Franchisor or an Authorized Designee (as defined in Section 3 below) with the right, but not the obligation, to cure any default by Tenant under the Lease within thirty (30) days from Franchisor's receipt of notice ("Cure Period") from Landlord of such default by Tenant; however, if such default cannot be reasonably cured by Franchisor or its Authorized Designee within the Cure Period, Landlord agrees that the Cure Period will be extended for such time as is reasonably necessary to cure such default, provided Franchisor or its Authorized Designee commenced taking

the steps to cure such default within the Cure Period and is diligently working towards curing said default;

2. Landlord and Tenant hereby agree that Franchisor has the right to take possession of the Lease Premises in the event Franchisor elects to exercise its "step-in rights" as set forth in the Step-In Rights Agreement (incorporated herein by reference) by and between Franchisor and Franchisee;

3. Landlord and Tenant agree that Franchisor has the right, but not the obligation, within thirty (30) days of the date of Franchisor's receipt of notice from Landlord of default by Tenant, to provide Landlord with written notice of its election to take possession of the Leased Premises, and upon receipt of such written notice from Franchisor, Landlord will recognize Franchisor as tenant under the Lease;

4. Landlord and Tenant agree that Franchisor (or its Authorized Designee) will have the right and option, but not the obligation, to take an assignment of Lease by providing written notice to Landlord advising Landlord of its election to exercise its right and option ("Franchisor's Exercise Notice") upon: (i) Tenant's default or termination under the Lease; (ii) Tenant's default under the Franchise Agreement; and/or (iii) the expiration or termination of the Franchise Agreement. For clarity, the rights of Franchisor to take an assignment and assume Tenant's obligations under the lease are totally optional on the part of Franchisor, to be exercised in its sole and absolute discretion. Landlord agrees to recognize Franchisor as tenant under the Lease effective upon Landlord's receipt of Franchisor's Exercise Notice. In the event Franchisor exercises its rights to take an assignment of the Lease, Tenant acknowledges and agrees that it shall have no further right or title to or interest in the Lease, but Tenant will remain liable to Franchisor and Landlord for any past due rental payments or other charges arising under the Lease through the effective date of the assignment to Franchisor. Further, Tenant agrees to indemnify and hold Franchisor and its affiliates, stockholders, directors, officers, principals, franchisees/licensees and representatives harmless from and against any and all losses, liabilities, claims, proceedings, demands, damages, judgments, injuries, attorneys' fees, costs and expenses, that they incur resulting from any claim brought against any of them or any action which any of them are named as a party or which any of them may suffer, sustain or incur by reason of, or arising out of, Tenant's breach of any of the terms of the Lease, including the failure to pay rent or any other terms and conditions of the Lease. Tenant shall reimburse Franchisor and its Authorized Designee (as applicable) for the costs and expenses incurred by Franchisor or its Authorized Designee (as applicable) in connection with effectuating this assignment, including, but not limited to the payment of: (i) any back rent and other payments due under the Lease; (ii) attorneys' fees and litigation expenses

incurred in enforcing Franchisor's rights under this Lease; (iii) costs incurred in reletting the Premises, and (iv) costs incurred for putting the Premises in good working order and repair;

5. Landlord agrees that if Franchisor becomes the assignee of the Lease as provided for in Section 3 or 4 above, Franchisor may: (i) further assign the Lease to an affiliate of Franchisor or to another franchisee of Franchisor (each an "Authorized Designee") effective on notice to Landlord; or (ii) enter into a sublease with an Authorized Designee. Landlord agrees that upon the effectiveness of the assignment referred to in Section 5(i) above, Franchisor will have no further liability or obligation to Landlord or otherwise under the Lease as assignee, tenant or otherwise;

6. Landlord and Tenant agree that the Lease may not be amended, assigned or sublet without Franchisor's prior written consent;

7. Landlord agrees that Franchisor shall not be obligated to cure any of Tenant's defaults under the Lease unless expressly agreed upon in writing by and between Franchisor and Landlord. Further, Tenant agrees to indemnify and hold harmless Franchisor (and/or its designee) harmless from and against all claims and demands of any type, kind or nature made by Landlord and/or any third party, which arise out of or are in any manner connected with Tenant's use and/or occupancy of the Premises;

8. Provided Tenant is not in default under this Lease and is open and operating for business in the Premises for its permitted use, Landlord agrees that during the Lease term (including any renewal periods), Landlord shall not, and shall not permit any affiliate, successor, or assign to, directly or indirectly lease, license, or otherwise permit the occupancy of any space within the Landlord's Tract (defined as "the entire, contiguous tract of land in full or in part owned by Landlord in which the Premises resides containing multiple commercial properties, including, but not limited to, shopping centers, malls, airports, promenades, and other mixed commercial use areas connected by common walkways or parking lots") to any of the following (collectively, a "Competing Use"):

    i. Full-Service Burger Concepts: Any tenant operating a full-service sit-down restaurant greater than three thousand (3,000) square feet (excluding outdoor patio space) whose menu includes hamburgers, cheeseburgers, or specialty burger items (including chicken, turkey, plant-based, or similar substitutes marketed as "burgers") representing in the aggregate more than thirty percent (30%) of such tenant's food offerings (exclusive of beverages and desserts);

ii. Automotive-Themed Restaurants: Any restaurant or bar concept that uses an automotive, transportation, or garage-related theme in its trade dress, branding, interior design, exterior signage, or marketing that could reasonably be deemed confusingly similar to Tenant's theme, décor, or trade identity;

iii. Specified Competitors: Any tenant operating under the trade name Yard House, BJ's Restaurant and Brewhouse, Miller's Ale House, Bubba's 33, Twin Peaks, Red Robin, Texas Roadhouse or any successor, assignee, or concept substantially similar in menu, pricing, and positioning to the foregoing; or

iv. Substantially Similar Casual Dining Concepts: Any full-service sit-down restaurant (greater than 3,000 square feet) primarily engaged in casual dining with a significant bar component whose menu emphasizes American comfort foods (including burgers, sandwiches, wings, or beer-centric menus) in a manner that directly competes with Tenant's unique brand positioning.

If Landlord violates the exclusivity provisions herein regarding Landlord's Tract, Tenant shall, in addition to all rights and remedies available at law or in equity, have the right to (a) reduce Rent by fifty percent (50%) for the duration of such violation, and/or (b) terminate this Lease upon ninety (90) days' written notice if such violation is not cured; and

Notwithstanding anything contained herein, in the event that the Lease for the Leased Premises was entered into prior to Tenant's (or its affiliate's) entering into the Franchise Agreement with Franchisor, then, at Franchisor's written request, Franchisor and Landlord agree that they each will cooperate with each other and use reasonable best efforts to adjust the expiration dates in the Lease so that the current term of the Lease will be adjusted such that the expiration of said Lease term will expire contemporaneously with the expiration of the initial term of the Franchise Agreement. In addition, if the Lease provides for a renewal term, or terms, such term or terms will be adjusted so as to expire, respectively, coterminously with the renewal term or terms of the Franchise Agreement. In doing so, Landlord shall not be required or expected to adjust the expiration date of the Lease by more than six (6) months.

9. Landlord agrees that for a period of two (2) years after the termination or expiration of Tenant's Franchise Agreement, Landlord will not enter into a lease with Tenant (or an affiliate of Tenant) at the Premises to operate a restaurant that specializes in gourmet burgers and craft beer similar to that of Tenant at the demised premises except that Landlord may enter into a lease with Tenant or Tenant's affiliate if the operation of said restaurant (similar to that of Tenant) is pursuant to any franchise agreement with Franchisor or any affiliate of Franchisor.

IN WITNESS WHEREOF, Landlord, Tenant and Franchisor have caused this Lease Rider to be executed as of the date first written above.

**LANDLORD**

By: _____
Name: _____
Title: _____

**TENANT**

By: _____
Name: _____
Title: _____

**FRANCHISOR**

**VINTAGE HOSPITALITY GROUP, LLC**
By: _____
Name: _____
Title: _____

# ATTACHMENT 6

## LICENSED TRADEMARKS

| Mark | Serial Number | Registration Number | Registration Date |
|---|---|---|---|
| Ford's Garage | 85619132 | 4887469 | January 19, 2016 |
| | 74459675<br>74459560<br>75164697<br>74735606<br>74429889<br>74459560 | 2092385<br>2088473<br>2067343<br>1973144<br>1872617<br>2088473 | September 2, 1997<br>August 19, 1997<br>June 3, 1997<br>May 7, 1996<br>January 10, 1995<br>August 19, 1997 |
| Ford | 74459539<br>74429898<br>74231430 | 2100574<br>1868462<br>1741469 | September 30, 1997<br>December 20, 1994<br>December 22, 1992 |
| | 75442222<br>74459557<br>74429886<br>74459675 | 2205899<br>1863707<br>1836944<br>2092385 | November 24, 1998<br>November 22, 1994<br>May 17, 1994<br>September 2, 1997 |
| | 75035044 | 2070776 | June 10, 1997 |
| Model A | 74516936 | 1928719 | October 17, 1995 |
| Model A | 74429888 | 1886187 | March 28, 1995 |
| Model T | 74516937 | 1947553 | January 9, 1996 |
| Model T | 74429896 | 1888592 | April 11, 1995 |
| | 99130739 | 7921941 | August 26, 2025 |
| | | | |

# ATTACHMENT 7

## NON-DISCLOSURE AGREEMENT
## FORD'S GARAGE RESTAURANTS

This Nondisclosure Agreement (the "Agreement") is made this ____ day of _____, 20__, by and between by and between: (i) **Vintage Hospitality Group, LLC** ("Franchisor"), a Florida limited liability company with its principal address at 501 N Reo St., Suite 102, Tampa, Florida 33609 on the one hand; and (ii) _____(the "Franchisee"); and (iii) the following individuals _____ (collectively, the "Obligated Parties").

**W I T N E S S E T H:**

**WHEREAS**, Franchisor has developed a unique system (the "System") for the development and operation of gourmet burger bars and restaurants under the name and mark "Ford's Garage" ("Franchised Business");

**WHEREAS**, Franchisor has granted **[FRANCHISEE]** ("Franchisee") the limited right to operate a Franchised Business under Franchisor's licensed mark(s) ("Marks") to engage in the business of providing a full-service restaurant and bar that combines the look of a 1920's service station/prohibition bar with the feel of a modern day "around the corner" Prime Burger and Craft Beer Joint with on-site dining or carry-out service (the "Franchised Business").

**WHEREAS**, Franchisee is a party to that certain Franchise Agreement dated _____, 20___ ("Franchise Agreement") by and between Franchisee and Vintage Hospitality Group, LLC (the "Company");

**WHEREAS**, Franchisor and Franchisee have agreed in the Franchise Agreement and otherwise, on the importance to both Franchisor and to Franchisee, as well as other licensed users of the System, of restricting the use, access and dissemination of Franchisor's Confidential Information (as defined below);

**WHEREAS**, Franchisor will disseminate to Obligated Parties certain Confidential Information (as defined below) and grant Franchisee the license to use Franchisor's Marks in connection with the Franchisee's operation of the Franchised Business;

**WHEREAS**, the Obligated Parties expressly acknowledge and agree that the Marks are owned by Ford Motor Company ("Ford"), and that pursuant to that certain Restated and Amended Trademark License Agreement dated August 17, 2016 by and between Ford and Franchisor, Franchisor has granted Franchisee the right to use the Marks solely in connection with Franchisee's operation of the Franchised Business, provided that such operation is in

strict compliance with the Franchise Agreement(s) and the System Standards which Franchisor may prescribe;

**WHEREAS**, Franchisor and Franchisee have agreed in the Franchise Agreement and otherwise, on the importance to Franchisor and to Franchisee as well as to other licensed users of the System, of: (i) restricting the use, access and dissemination of Franchisor's Confidential Information; and (ii) protecting Ford's Marks;

**WHEREAS**, the Marks and Confidential Information provides the Franchisor with an economic advantage and are neither publicly known to nor readily ascertainable by lawful means by, our competitors who could obtain economic value from knowledge and use of our Confidential Information;

**WHEREAS,** the Obligated Parties are required by the Franchise Agreement to execute this Agreement simultaneously with the execution of Franchisee's Franchise Agreement; and

**WHEREAS,** the Obligated Parties understand the necessity of not disclosing any such information to any other party or using such information to compete against Franchisor or its franchisees in any business means any business that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) products or services as follows:
(i) any "automobile themed" restaurant and/or bar; or (ii) any other restaurant or bar where the sale of hamburgers constitutes twenty five (25%) percent or more of the restaurant or bar's food sales (i.e., excluding liquor or other beverages and as well as non-food items such as merchandise) ("Competitive Business"); provided, however, that the term "Competitive Business" shall not apply to (a) any business operated by Franchisee under a Franchise Agreement with Franchisor, or (b) any business operated by a publicly-held entity in which Franchisee owns more than a five percent (5%) legal or beneficial interest.

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth herein, and intending to be legally bound hereby, the parties hereby mutually agree as follows:

## 1. Trade Secrets and Confidential Information

The Obligated Parties acknowledge and understand that Franchisor will grant Obligated Party access to Franchisor's Trade Secrets and other Confidential Information that are important to Franchisor, the Ford's Garage System and Franchisor's affiliates and other franchisees.

a) For the purposes of this Agreement, a "Trade Secret" is information in any form (including, but not limited to, recipes, materials and techniques, technical or nontechnical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in the Franchised Business that is not commonly known by or available to the public and that information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by,

other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

b) For the purposes of this Agreement "Confidential Information" means technical and nontechnical information used in or related to the Franchised Business that is not commonly known by or available to the public, including, without limitation, Trade Secrets and information contained in the Operations Manual and training guides and materials. In addition, any other information identified as confidential when delivered by Franchisor to Obligated Party shall be deemed Confidential Information. Confidential Information shall not include, however, any information that: (i) is now or subsequently becomes generally available to the public through no fault of Obligated Party; (ii) Obligated Parties can demonstrate was rightfully in his, her, its or their possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; (iii) is independently developed without the use of any Confidential Information; or (iv) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information.

c) Any information expressly designated by Company or Franchisee as "Trade Secrets" or "Confidential Information" shall be deemed such for all purposes of this Agreement, but the absence of designation shall not relieve the Obligated Parties of his, her, its or their obligations hereunder in respect of information otherwise constituting Trade Secrets or Confidential Information. The Obligated Parties understand that Franchisee's providing of access to the Trade Secrets and other Confidential Information creates a relationship of confidence and trust between Franchisor and each Obligated Party with respect to the Trade Secrets and other Confidential Information.

## 2. Confidentiality/Nondisclosure

a) The Obligated Parties shall not communicate or divulge to (or use for the benefit of) any other person, firm, association, or corporation, with the sole exception of Franchisee, now or at any time in the future, any Trade Secrets or other Confidential Information. At all times from the date of this Agreement, the Obligated Parties must take all steps reasonably necessary and/or requested by Franchisor to ensure that the Confidential Information and Trade Secrets are kept confidential pursuant to the terms of this Agreement. The Obligated Parties must comply with all applicable policies, procedures and practices that Franchisor has established and may establish from time to time with regard to the Confidential Information and Trade Secrets.

b) The Obligated Parties' obligations under paragraph 2(a) of this Agreement shall continue in effect after the expiration or termination of Franchisee's Franchise Agreement.

c) At Franchisor's request, the Obligated Parties must require that Franchisee's General Manager(s) or Area Manager(s) and other employees who will have access to Franchisor's Confidential Information (and any other person or entity to whom Franchisee wishes to disclose any confidential information) to sign non-disclosure agreements with Franchisee providing that they will maintain the confidentiality of the disclosed information. These various agreements must be in a form satisfactory to Franchisor and must identify Franchisor as a third-party beneficiary with the independent right to enforce the agreements. At Franchisor's request,

a copy of these signed agreements must be provided to Franchisor.

**2. <u>Marks</u>.**

a) The Obligated Parties acknowledge and understand that the Marks are owned by Ford (and that Ford has licensed the Marks to us), that Ford owns all right, title and interest in and to such Marks. The Obligated Parties agree not to represent in any manner that any of them have acquired any ownership rights in the Marks. The Obligated Parties further acknowledges and agrees that his, her, its or their use of the Marks and any goodwill established by that use are for Franchisor's exclusive benefit and that this Agreement does not confer any goodwill or other interests in the Marks upon any Obligated Party whatsoever.

b) The Obligated Parties agree not to use any Mark or any variation thereof: (1) as part of any corporate or legal business name, (2) with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos we have licensed to you), (3) in selling any unauthorized services or products, (4) as part of any domain name, electronic address or search engine you maintain on any "Website" (as such term is defined in Section 10.5 of the Franchise Agreement), or (5) in any other manner without first obtaining Franchisor's prior written consent.

c) The Obligated Parties expressly covenant and agree to solely use the Marks in connection with Franchisee's operation of the Business, in accordance with the Franchise Agreement and all System Standards that Franchisor may prescribe during the franchise term (or any renewal thereof). The Obligated Parties also understand and expressly agree that his, her, its or their ability to use the Marks does not extend beyond the termination or expiration of the Franchise Agreement (or any renewal thereof).

d) The Obligated Parties acknowledge and agree that any unauthorized use of the Marks by him, her, it or them is a breach of this Agreement and an infringement of Franchisor's rights in the Marks. The Obligated Parties expressly covenant that, during the franchise term, any renewal term and thereafter, it, he, she or them will not, directly or indirectly, commit any act of infringement or contest or aid others in contesting the validity of Franchisor's right to use the Marks or take any other action in derogation thereof.

e) The Obligated Parties acknowledge that Franchisor has an obligation to monitor its own and other parties' use of the Marks and agrees to do so. The Obligated Parties agree to promptly notify Franchisor of any claim, demand or cause of action that Franchisor may have based upon or arising from any unauthorized attempt by any person or legal entity to use the Marks, any colorable variation thereof, or any other mark, name or indicia in which Franchisor has or claims a proprietary interest. The Obligated Parties agrees to assist Franchisor, upon request and at Franchisor's expense, in taking such action, if any, as Franchisor may deem appropriate to halt such activities.

f) The Obligated Parties acknowledges that any breach of his, her, its or their obligations under this Section 3 would cause damage to Franchisor and its other franchisees, and that the Obligated Parties shall, therefore, be jointly and severally liable for such

damage.

**3. Reasonableness of Restrictions**

The Obligated Parties acknowledge that each of the terms set forth herein, including the covenants and restrictions, is fair and reasonable and is reasonably required for the protection of Franchisor, and Franchisor's Trade Secrets and other Confidential Information, Franchisor's System, network of franchises and trade and service marks, and each Obligated Party waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable. If, however, a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then the Obligated Parties shall submit to the reduction of any such activity, time period or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

**4. Non-Disparagement**.

The Obligated Parties each agree not to (and to use its best efforts to cause its current and former shareholders, members, officers, directors, principals, agents, partners, employees, representatives, attorneys, spouses, affiliates, successors and assigns not to) disparage or otherwise speak or write negatively, directly or indirectly, of Ford Motor Company, Franchisor, its affiliates, any of Franchisor's or its affiliates' respective directors, officers, employees, representatives or their affiliates, current or former franchisees or developers of Franchisor or their affiliates, the Ford's Garage brand, the Ford Motor brand, the Franchise System, any Ford's Garage Restaurant, any business using the Marks, any other brand or service marked or trademarked concept of Franchisor or its affiliates, or which would subject the Ford's Garage brand, the Ford Motor brand or such other brands to ridicule, scandal, reproach, scorn, or indignity, or which would negatively impact the goodwill of the Franchisor, Ford Motor Company, the Marks or the Ford's Garage Franchise System. The obligations of this provision shall survive any expiration or termination of this Agreement.

**5. Relief for Breaches of Confidentiality and Non-Disparagement**

The Obligated Parties further acknowledge that an actual or threatened violation of the covenants and restrictions contained in this Agreement will cause Franchisor immediate and irreparable harm, damage and injury that cannot be fully compensated for by an award of damages or other remedies at law. The Obligated Parties agree that monetary damages alone cannot adequately compensate Franchisor if an Obligated Party violates this Section and that injunctive relief is essential for the protection of Franchisor, its franchisees and its affiliates. Accordingly, the Obligated Parties consent to the issuance of an injunction in favor of Franchisor from any court of competent jurisdiction restraining any further violation by the Obligated Parties of this Agreement without any requirement for Franchisor to show any actual damage or to post any bond or other security. Such right to an injunction shall be cumulative and in addition to, and not in limitation of, any other rights and remedies that

Franchisor may have at law or in equity. The Obligated Parties agree that they shall be jointly and severally liable for and will pay all court costs and reasonable attorneys' fees incurred by Franchisor in connection with the enforcement of this Section, including payment of all costs and expenses for obtaining specific performance of, or an injunction against violation of, the requirements of such Section.

**6. Use of Name and Likeness.**

Franchisor will be entitled to use the name, likeness and voice of each Obligated Party for purposes of promoting the franchise, Franchisor and its products and services, including, without limitation, all photos and audio and video recordings of the Obligated Parties and each of the Obligated Parties hereby irrevocably consent thereto. The Obligated Parties acknowledge that Franchisor will own all right, title and interest, to the extent allowed by law, in all rights of integrity, disclosure and publication and any other rights that may be known as or referred to as "moral rights," "artist's rights," "publicity rights" (collectively "Rights") or the like associated with such photos and audio and video recordings, and the Obligated Parties hereby assigns and transfers unto Franchisor the full and exclusive right, title, and interest to Rights.

**7. Innovations.**

The Obligated Parties may conceive, invent, create, design and/or develop various ideas, techniques, methods, processes and procedures, formulae, or other concepts and features in connection with the products and services provided by the Franchised Business (the "Innovations"). The Obligated Parties assign any and all of its rights, title and interest in the Innovations, including, without limitation, any intellectual property rights, to Franchisor, and also agrees to cooperate with Franchisor and its counsel in the protection of the Innovations, including without limitation, the perfecting of title thereto.

**8. Copyrights; Works-for-Hire; Solicitation.**

All advertising and promotional materials generated by or for Franchisee or its officers, directors or managers for the Franchised Business will be deemed a work-made- for-hire, and all ownership rights, including, without limitation, any copyrights, in such advertising and promotional materials are hereby assigned to Franchisor. In addition, the Obligated Parties will cooperate in the protecting any items or materials deemed to be suitable for copyright protection by Franchisor. The Obligated Parties will not solicit other franchisees or use the lists of franchisees, for any commercial or other purpose other than purposes directly related to the operation of the Franchised Business.

**9. Sections of Franchise Agreement Which Are Incorporated Herein By Reference**

The parties agree that the following sections (in their entirety) of the Franchise Agreement are hereby incorporated by reference into this Agreement (and that references in the Franchise Agreement to "you" or "Franchisee" will apply with full force and effect to each of the "Obligated Parties" herein):

**Section 18.7 (entitled "Survival of Certain Provisions");**

**Section 18.8 (entitled "Liquidated Damages");**

**Article XXII (Entitled "Dispute Resolution; Choice of Law; Jurisdiction; Waiver of Jury Trial"), inclusive of all sub-sections; and**

**Section 23.4 (entitled "Injunctive Relief")**

**10. <u>Miscellaneous</u>**

a) This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between the parties. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the parties.

b) Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without reference to its conflict of laws principles). The Federal Arbitration Act shall govern all matters subject to arbitration. References to any law refer also to any successor laws and to any published regulations for such law as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency. EACH OF THE OBLIGATED PARTIES HEREBY WAIVES HIS, HER OR ITS RIGHT TO A TRIAL BY JURY, WAIVES THE RIGHT TO INITIATE OR PARTICIPATE IN A CLASS ACTION IN ANY FORUM, INCLUDING, WITHOUT LIMITATION, PARTICIPATING IN ANY CLASS OR GROUP ARBITRATION, AND WAIVES THE RIGHT TO SUE FOR OR COLLECT PUNITIVE, CONSEQUENTIAL OR SPECIAL DAMAGES IN ANY FORUM, INCLUDING, WITHOUT LIMITATION, IN ANY ARBITRATION.

c) The Obligated Parties agree that if Franchisor is required to enforce this Agreement in a judicial or arbitration proceeding, in addition to any other relief to which the prevailing party may be entitled, the prevailing party shall be entitled to reimbursement of its costs and expenses including without limitation, reasonable attorneys' (and paralegal) fees, accountant's fees, investigative fees, expert fees, filing fees, arbitrator compensation and expenses, court costs, taxes and all expenses, together with all costs and expenses incident to arbitration, post-award or post-judgment proceedings and appellate proceedings incurred by the prevailing party in that action or proceeding. As used in this Agreement, the "prevailing party" is the party who recovers greater relief in the action.

a) This Agreement shall be effective as of the date this Agreement is executed and shall be binding upon the parties' successors, heirs and assigns. This Agreement may not be assigned by any Obligated Party without the prior written consent of the Franchisor.

b) The failure of either party to insist upon performance in any one (1) or more

instances upon performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of either party with respect thereto shall continue in full force and effect.

c) The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

d) In the event that any part of this Agreement shall be held to be unenforceable or invalid, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

e) This Agreement may be modified or amended only by a written instrument duly executed by the parties.

f) The existence of any claim or cause of action that any person or entity, including without limitation, any Obligated Party (including Franchisee), might have against Franchisor (or any person or entity) will not constitute a defense to the enforcement of this Agreement by Franchisor.

g) Except as otherwise expressly provided in this Agreement, no remedy conferred upon Franchisee or Franchisor pursuant to this Agreement is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given pursuant to this Agreement or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy pursuant to this Agreement shall preclude any other or further exercise thereof.

h) This Agreement may be executed in multiple counterparts, each being deemed an original and this being one of the counterparts. An executed signature page to this Agreement delivered by facsimile or as a PDF or a similar attachment to an email shall constitute effective delivery for all purposes with the same force and effect as the delivery of an executed original counterpart signature page.

**EACH OBLIGATED PARTY HEREBY CERTIFIES THAT HE, SHE OR IT HAS READ THIS AGREEMENT CAREFULLY, AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO SUCH PERSON TO INDUCE THE SIGNING OF THIS AGREEMENT.**

IN WITNESS WHEREOF, Franchisor has hereunto caused this Agreement to be executed by its duly authorized officer. If an Obligated Party is an entity, it has hereunto caused this Agreement to be executed by its duly authorized officer or Member. If an Obligated Party is an individual, he or she has executed this Agreement in his or her individual capacity.

**FRANCHISOR**

VINTAGE HOSPITALITY GROUP, LLC

By: _____
Name: _____
Title: _____

**THE OBLIGATED PARTIES**

**FRANCHISEE**

_____
By: _____
Name: _____
Title: _____

**OBLIGATED PARTY**
(If an Individual)

_____
Name: _____

**OBLIGATED PARTY**
(If an Individual)

_____
Name: _____

# ATTACHMENT 8

## NON-COMPETITION AGREEMENT
## FORD'S GARAGE RESTAURANTS

This Noncompetition Agreement (the "Agreement") is made and entered into this _____ day of _____, 20___, by and between: (i) Vintage Hospitality Group, LLC ("Franchisor"), a Florida limited liability company with its principal address at residence at 501 N Reo St., Suite 102, Tampa, Florida 33609 on the one hand; (ii) _____ _____ (the "Franchisee"); and (iii) the following individuals _____ (collectively, the "Obligated Parties").

**W I T N E S S E T H:**

**WHEREAS**, Franchisor has developed a unique system (the "System") for the development and operation of gourmet burger bars and restaurants under the name and mark "Ford's Garage" ("Franchised Business");

**WHEREAS**, Franchisor has granted Franchisee the limited right to operate a Franchised Business under Franchisor's licensed mark(s) ("Marks") to engage in the business of providing a full-service restaurant and bar that combines the look of a 1920's service station/prohibition bar with the feel of a modern day "around the corner" Prime Burger and Craft Beer Joint with on-site dining or carry-out service (the "Franchised Business")..

**WHEREAS**, Franchisee is a party to that certain Franchise Agreement dated _____, 20__ ("Franchise Agreement") by and between Franchisee and Vintage Hospitality Group, LLC ("Company");

**WHEREAS**, Franchisor and Franchisee have agreed in the Franchise Agreement and otherwise, on the importance to both Franchisor and to Franchisee, as well as other licensed users of the System, of restricting the use, access and dissemination of Franchisor's Confidential Information (as defined below);

**WHEREAS**, Franchisor will disseminate to the Obligated Parties certain Confidential Information (as defined below) and grant Franchisee the license to use Franchisor's Marks in connection with the Franchisee's operation of the Franchised Business;

**WHEREAS**, the Obligated Parties expressly acknowledge and agree that the Marks are owned by Ford Motor Company ("Ford"), and that pursuant to that certain Restated and Amended Trademark License Agreement dated August 17, 2016 by and between Ford and Franchisor, Franchisor has granted Franchisee the right to use the Marks solely in connection with Franchisee's operation of the Franchised Business, provided that such operation is in strict compliance with the Franchise Agreement(s) and the System Standards which Franchisor may prescribe;

**WHEREAS**, Franchisor and Franchisee have agreed in the Franchise Agreement and otherwise, on the importance to Franchisor and to Franchisee as well as to other licensed users of the System, of: (i) restricting the use, access and dissemination of Franchisor's Confidential Information; and (ii) protecting Ford's Marks;

**WHEREAS**, the Marks and Confidential Information provides the Franchisor with an economic advantage and are neither publicly known to nor readily ascertainable by lawful means by, our competitors who could obtain economic value from knowledge and use of our Confidential Information;

**WHEREAS**, the Obligated Parties are required by the Franchise Agreement to execute this Agreement simultaneously with the execution of Franchisee's Franchise Agreement; and

**WHEREAS**, the Obligated Parties understand the necessity of not disclosing any such information to any other party or using such information to compete against Franchisor or its franchisees in any business means any business that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) products or services as follows: (i) any "automobile themed" restaurant and/or bar; or (ii) any other restaurant or bar where the sale of hamburgers constitutes twenty five (25%) percent or more of the restaurant or bar's food sales (i.e., excluding liquor or other beverages and as well as non-food items such as merchandise) ("Competitive Business"); provided, however, that the term "Competitive Business" shall not apply to (a) any business operated by Franchisee under a Franchise Agreement with Franchisor, or (b) any business operated by a publicly-held entity in which Franchisee owns more than a five percent (5%) legal or beneficial interest.

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth herein, and intending to be legally bound hereby, the parties hereby mutually agree as follows:

## 1. Trade Secrets and Confidential Information

The Obligated Parties acknowledge and understand that Franchisor will grant them access to Franchisor's Trade Secrets and other Confidential Information that are important to Franchisor, the Ford's Garage System and Franchisor's affiliates and other franchisees.

a) For the purposes of this Agreement, a "Trade Secret" is information in any form (including, but not limited to, recipes, materials and techniques, technical or nontechnical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in the Franchised Business that is not commonly known by or available to the public and that information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

b) For the purposes of this Agreement "Confidential Information" means technical and nontechnical information used in or related to the Franchised Business that is not

commonly known by or available to the public, including, without limitation, recipes, Trade Secrets and information contained in the Operations Manual and training guides and materials. In addition, any other information identified as confidential when delivered by Franchisor to the Obligated Parties shall be deemed Confidential Information. Confidential Information shall not include, however, any information that: (i) is now or subsequently becomes generally available to the public through no fault of the Obligated Parties; (ii) the Obligated Parties can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; (iii) is independently developed without the use of any Confidential Information; or (iv) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information.

c) Any information expressly designated by Company or Franchisee as "Trade Secrets" or "Confidential Information" shall be deemed such for all purposes of this Agreement, but the absence of designation shall not relieve the Obligated Parties of his, her, its or their obligations hereunder in respect of information otherwise constituting Trade Secrets or Confidential Information. The Obligated Parties understand Franchisee's providing of access to the Trade Secrets and other Confidential Information creates a relationship of confidence and trust between Franchisor and each Obligated Party with respect to the Trade Secrets and other Confidential Information.

**2. <u>Confidentiality/Nondisclosure</u>**

(a) The Obligated Parties shall not communicate or divulge to (or use for the benefit of) any other person, firm, association, or corporation, with the sole exception of Franchisee, now or at any time in the future, any Trade Secrets or other Confidential Information. At all times from the date of this Agreement, the Obligated Parties must take all steps reasonably necessary and/or requested by Franchisor to ensure that the Confidential Information and Trade Secrets are kept confidential pursuant to the terms of this Agreement. The Obligated Parties must comply with all applicable policies, procedures and practices that Franchisor has established and may establish from time to time with regard to the Confidential Information and Trade Secrets.

(b) The Obligated Parties obligations under paragraph 2(a) of this Agreement shall continue in effect after the expiration or termination of Franchisee's Franchise Agreement.

(c) At Franchisor's request, the Obligated Parties must require that Franchisee's General Manager(s) or Area Manager(s) and other employees who will have access to Franchisor's Confidential Information (and any other person or entity to whom Franchisee wishes to disclose any confidential information) to sign non-disclosure agreements with Franchisee providing that they will maintain the confidentiality of the disclosed information. These various agreements must be in a form satisfactory to Franchisor and must identify Franchisor as a third-party beneficiary with the independent right to enforce the agreements. At Franchisor's request, a copy of these signed agreements must be provided to Franchisor.

**3. <u>Marks</u>**.

(a) The Obligated Parties acknowledge and understand that the Marks are owned by Ford (and that Ford has licensed the Marks to us), that Ford owns all right, title and interest in and to such Marks. The Obligated Parties agree not to represent in any manner that any of them have acquired any ownership rights in the Marks. The Obligated Parties further acknowledges and agrees that Franchisee's use of the Marks and any goodwill established by that use are for Franchisor's exclusive benefit and that this Agreement does not confer any goodwill or other interests in the Marks upon any Obligated Party whatsoever.

(b) The Obligated Parties agree not to use any Mark or any variation thereof: (1) as part of any corporate or legal business name, (2) with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos we have licensed to you), (3) in selling any unauthorized services or products, (4) as part of any domain name, electronic address or search engine you maintain on any "Website" (as such term is defined in Section 10.5 of the Franchise Agreement), or (5) in any other manner without first obtaining Franchisor's prior written consent.

(c) The Obligated Parties expressly covenant and agree to solely use the Marks in connection with Franchisee's operation of the Business, in accordance with the Franchise Agreement and all System Standards that Franchisor may prescribe during the franchise term (or any renewal thereof). The Obligated Parties also understand and expressly agree that his, her, its or their ability to use the Marks does not extend beyond the termination or expiration of the Franchise Agreement (or any renewal thereof).

(d) The Obligated Parties acknowledge and agree that any unauthorized use of the Marks by him, her, it or them is a breach of this Agreement and an infringement of Franchisor's rights in the Marks. The Obligated Parties expressly covenant that, during the franchise term, any renewal term and thereafter, it, he, she, it or they will not, directly or indirectly, commit any act of infringement or contest or aid others in contesting the validity of Franchisor's right to use the Marks or take any other action in derogation thereof.

(e) The Obligated Parties acknowledge that Franchisor has an obligation to monitor its own and other parties' use of the Marks and agrees to do so. The Obligated Parties agree to promptly notify Franchisor of any claim, demand or cause of action that Franchisor may have based upon or arising from any unauthorized attempt by any person or legal entity to use the Marks, any colorable variation thereof, or any other mark, name or indicia in which Franchisor has or claims a proprietary interest. The Obligated Parties agree to assist Franchisor, upon request and at Franchisor's expense, in taking such action, if any, as Franchisor may deem appropriate to halt such activities.

(f) The Obligated Parties acknowledge that any breach of his, her, its or their obligations under this Section 3 would cause damage to Franchisor and its other franchisees, and that the Obligated Parties shall therefore, be jointly and severally liable for such damage.

## 4. Non-Competition

(a) Covenant Not to Compete During Franchise Term.

The Obligated Parties expressly agrees that he, she, it or they shall not, during the term of the Franchise Agreement or any subsequent renewal term, directly or indirectly for any Obligated Party or through, on behalf of or in conjunction with any person(s) (including a spouse, family member, business associate, etc.), limited liability company, partnership or corporation:

(i) acquire, operate, finance, invest in, control (directly or indirectly, whether of record, beneficially or otherwise) or own any beneficial interest in, or perform services as a director, officer, manager, employee, consultant, representative or agent for any or in connection with: (i) any "automobile themed" restaurant or bar, wherever located; or (ii) any other Competitive Business, i.e., any other restaurant or bar where the sale of hamburgers constitutes twenty five (25%) percent or more of the restaurant's food sales (i.e., excluding liquor or other beverages as well as all non-food items such as merchandise), within twenty five (25) miles of: (1) the location where any Ford's Garage Restaurant developed under this Agreement was operating at the time that this Agreement expired or was terminated; or (2) any Ford's Garage Restaurant (whether company owned, franchised or otherwise established and operated) (collectively, the "Restricted Area"); or

(ii) divert, or attempt to divert, any actual or potential business or customer of Franchisee's Restaurant or Franchisor to any competitor, by direct or indirect inducement or otherwise or do or perform, directly or indirectly, injurious or prejudicial to the goodwill associated with the Marks and the System.

At Franchisor's request, each Obligated Party must also require that Franchisee's Designated Manager(s) enter a non-competition agreement with Franchisee which will restrict said Designated Manager(s) from having any direct or indirect involvement (as referenced above) in connection with, any Competing Business (as defined above) wherever located, during the term of your Franchise Agreement and any renewal or extension thereof. Obligated Party (Franchisee) shall be responsible for ensuring that the terms and conditions relating to these restrictive covenants are reasonable and enforceable under applicable state law where you operate your Franchised Restaurants. Any such agreement must be in a form satisfactory to Franchisor and must identify Franchisor as a third-party beneficiary with the independent right to enforce the agreements. At Franchisor's request, a copy of these signed agreements must be provided to Franchisor.

b) Post-Term Covenant Not to Compete.

The Obligated Parties expressly agree that, upon the assignment, expiration or termination of the Franchise Agreement or any subsequent renewal term thereof, the Obligated Parties shall not, for a period of two (2) years beginning on the effective date of such assignment, expiration or termination, directly or indirectly for any Obligated Party or through, on behalf of or in

conjunction with any person(s) (including a spouse, family member, business associate, etc.), limited liability company, partnership or corporation:

(iii) acquire, operate, finance, invest in, control or own any beneficial interest in, or perform services as a director, officer, manager, employee, consultant, representative or agent for any or in connection with: (i) any "automobile themed" restaurant or bar, wherever located; or (ii) any other Competitive Business, i.e., any other restaurant or bar where the sale of hamburgers constitutes twenty five (25%) percent or more of the restaurant's food sales (i.e., excluding liquor or other beverages as well as all non-food items such as merchandise), within twenty five (25) miles of: (1) the location where any Ford's Garage Restaurant developed under this Agreement was operating at the time that this Agreement expired or was terminated; or (2) any Ford's Garage Restaurant (whether company owned, franchised or otherwise established and operated) (collectively, the "Restricted Area"); or

(iv) divert, or attempt to divert, any business or customer of Franchisee's Restaurant or Franchisor to any competitor, by direct or indirect inducement or otherwise or do or perform, directly or indirectly, any act which is or may be injurious or prejudicial to the goodwill associated with the Marks and the System.

The Obligated Parties acknowledge and agree that these restrictions shall also apply after the consummation of any transfers, as provided in Section 15.3 of the Franchise Agreement. You further acknowledge and agree that the Restrictive Period shall be tolled for any period of time during which Franchisee or any owner of Franchisee is in breach of this Section and shall resume only when such person begins or resumes compliance.

At Franchisor's request, Obligated Party (Franchisee) must also require its Designated Manager(s) to enter a non-competition agreement with Franchisee which will restrict said Designated Manager(s) from having any direct or indirect involvement (as referenced above) in connection with, any Competing Business (as defined above), during a period to be defined, after the Franchise Agreement and any renewal or extension thereof, expires, is transferred (assigned) or is terminated. Obligated Party (Franchisee) shall be responsible for ensuring that the terms and conditions relating to these restrictive covenants are reasonable and enforceable under applicable state law where Franchisee operates its Franchised Business. Any such agreements must be in a form satisfactory to Franchisor and must identify Franchisor as a third-party beneficiary with the independent right to enforce the agreements. At Franchisor's request, a copy of these signed agreements must be provided to Franchisor.

## 5. Reasonableness of Restrictions

The Obligated Parties acknowledge that each of the terms set forth herein, including covenants and restrictions, is fair and reasonable and is reasonably required for the protection of Franchisor,

and Franchisor's Trade Secrets and other Confidential Information, Franchisor's System, network of franchises and trade and service marks, and each Obligated Party waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable. If, however, a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then the Obligated Parties shall submit to the reduction of any such activity, time period or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

**6. Non-Disparagement.**

The Obligated Parties agree not to (and to use its best efforts to cause its current and former shareholders, members, officers, directors, principals, agents, partners, employees, representatives, attorneys, spouses, affiliates, successors and assigns not to) disparage or otherwise speak or write negatively, directly or indirectly, of Ford Motor Company, Franchisor, its affiliates, any of Franchisor's or its affiliates' respective directors, officers, employees, representatives or their affiliates, current or former franchisees or developers of Franchisor or their affiliates, the Ford's Garage brand, the Ford Motor brand, the Franchise System, any Ford's Garage Restaurant, any business using the Marks, any other brand or service marked or trademarked concept of Franchisor or its affiliates, or which would subject the Ford's Garage brand, the Ford Motor brand or such other brands to ridicule, scandal, reproach, scorn, or indignity, or which would negatively impact the goodwill of the Franchisor, Ford Motor Company, the Marks or the Ford's Garage Franchise System. The obligations of this provision shall survive any expiration or termination of this Agreement.

**7. Relief for Breaches of Noncompetition and Non-Disparagement**

The Obligated Parties further acknowledge that an actual or threatened violation of the covenants contained in this Agreement will cause Franchisor immediate and irreparable harm, damage and injury that cannot be fully compensated for by an award of damages or other remedies at law. The Obligated Parties agree that monetary damages alone cannot adequately compensate Franchisor if any Obligated Party violates this Section and that injunctive relief is essential for the protection of Franchisor, its franchisees and its affiliates. Accordingly, Obligated Party consents to the issuance of an injunction in favor of Franchisor from any court of competent jurisdiction restraining any further violation by the Obligated Parties of this Agreement without any requirement for Franchisor to show any actual damage or to post any bond or other security. Such right to an injunction shall be cumulative and in addition to, and not in limitation of, any other rights and remedies that Franchisor may have at law or in equity. The Obligated Parties agree that they shall be jointly and severally liable for and will pay all court costs and reasonable attorneys' fees incurred by Franchisor in connection with the enforcement of this Section, including payment of all costs and expenses for obtaining specific performance of, or an injunction against violation of, the requirements of such Section.

**8. Use of Name and Likeness.**

Franchisor will be entitled to use the name, likeness and voice of each Obligated Party for purposes of promoting the franchise, Franchisor and its products and services, including, without limitation, all photos and audio and video recordings of the Obligated Parties and each of them hereby irrevocably consents thereto. The Obligated Parties acknowledge that Franchisor will own all right, title and interest, to the extent allowed by law, in all rights of integrity, disclosure and publication and any other rights that may be known as or referred to as "moral rights," "artist's rights," "publicity rights" (collectively "Rights") or the like associated with such photos and audio and video recordings, and the Obligated Parties hereby assign and transfer unto Franchisor the full and exclusive right, title, and interest to Rights.

**9. Innovations.**

The Obligated Parties may conceive, invent, create, design and/or develop various ideas, techniques, methods, processes and procedures, formulae, or other concepts and features in connection with the products and services provided by the Franchised Business (the Innovations"). The Obligated Parties assign any and all of its rights, title and interest in the Innovations, including, without limitation, any intellectual property rights, to Franchisor, and also agrees to cooperate with Franchisor and its counsel in the protection of the Innovations, including without limitation, the perfecting of title thereto.

**10. Copyrights; Works-for-Hire; Solicitation.**

All advertising and promotional materials generated by or for Franchisee or its officers, directors or managers for the Franchised Business will be deemed a work-made- for-hire, and all ownership rights, including, without limitation, any copyrights, in such advertising and promotional materials are hereby assigned to Franchisor. In addition, the Obligated Parties will cooperate in the protecting any items or materials deemed to be suitable for copyright protection by Franchisor. The Obligated Parties will not solicit other franchisees or use the lists of franchisees, for any commercial or other purpose other than purposes directly related to the operation of the Franchised Business.

**11. Sections of Franchise Agreement Which Are Incorporated Herein By Reference**

The parties agree that the following sections (in their entirety) of the Franchise Agreement are hereby incorporated by reference into this Agreement (with references in the Franchise Agreement to "you" or "Franchisee" to apply with full force and effect to each of the "Obligated Parties" herein):

**Section 18.6 (entitled "Liquidated Damages");**

**Section 18.7 (entitled "Survival of Certain Provisions");**

**Article XXII (Entitled "Dispute Resolution; Choice of Law; Jurisdiction; Waiver of Jury Trial"), inclusive of all sub-sections; and**

**Section 23.4 (entitled "Injunctive Relief")**

**12. <u>Miscellaneous</u>**

a) This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between the parties. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the parties.

b) Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without reference to its conflict of laws principles). The Federal Arbitration Act shall govern all matters subject to arbitration. References to any law refer also to any successor laws and to any published regulations for such law as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency. EACH OBLIGATED PARTY HEREBY WAIVES HIS, HER OR ITS RIGHT TO A TRIAL BY JURY, WAIVES THE RIGHT TO INITIATE OR PARTICIPATE IN A CLASS ACTION IN ANY FORUM, INCLUDING, WITHOUT LIMITATION, PARTICIPATING IN ANY CLASS OR GROUP ARBITRATION, AND WAIVES THE RIGHT TO SUE FOR OR COLLECT PUNITIVE, CONSEQUENTIAL OR SPECIAL DAMAGES IN ANY FORUM, INCLUDING, WITHOUT LIMITATION, IN ANY ARBITRATION.

c) The Obligated Parties agree that if Franchisor is required to enforce this Agreement in a judicial or arbitration proceeding, in addition to any other relief to which the prevailing party may be entitled, the prevailing party shall be entitled to reimbursement of its costs and expenses including without limitation, reasonable attorneys' (and paralegal) fees, accountant's fees, investigative fees, expert fees, filing fees, arbitrator compensation and expenses, court costs, taxes and all expenses, together with all costs and expenses incident to arbitration, post-award or post-judgment proceedings and appellate proceedings incurred by the prevailing party in that action or proceeding. As used in this Agreement, the "prevailing party" is the party who recovers greater relief in the action.

d) This Agreement shall be effective as of the date this Agreement is executed and shall be binding upon the parties' successors, heirs and assigns. This Agreement may not be assigned by any Obligated Party without the prior written consent of the Franchisor.

e) The failure of either party to insist upon performance in any one (1) or more instances upon performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of either party with respect thereto shall continue in full force and effect.

f) The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

g) In the event that any part of this Agreement shall be held to be unenforceable or invalid, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

h) This Agreement may be modified or amended only by a written instrument duly executed by the parties.

i) The existence of any claim or cause of action that any person or entity, including without limitation, any Obligated Party (including Franchisee), might have against Franchisor (or any person or entity) will not constitute a defense to the enforcement of this Agreement by Franchisor.

j) Except as otherwise expressly provided in this Agreement, no remedy conferred upon Franchisee or Franchisor pursuant to this Agreement is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given pursuant to this Agreement or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy pursuant to this Agreement shall preclude any other or further exercise thereof.

k) This Agreement may be executed in multiple counterparts, each being deemed an original and this being one of the counterparts. An executed signature page to this Agreement delivered by facsimile or as a PDF or a similar attachment to an email shall constitute effective delivery for all purposes with the same force and effect as the delivery of an executed original counterpart signature page.

**EACH OBLIGATED PARTY HEREBY CERTIFIES THAT HE, SHE OR IT HAS READ THIS AGREEMENT CAREFULLY, AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO SUCH PERSON TO INDUCE THE SIGNING OF THIS AGREEMENT.**

*[Signature Page Follows]*

IN WITNESS WHEREOF, Franchisor has hereunto caused this Agreement to be executed by its duly authorized officer. If an Obligated Party is an entity, it has hereunto caused this Agreement to be executed by its duly authorized officer or Member. If an Obligated Party is an individual, he or she has executed this Agreement in his or her individual capacity.

**FRANCHISOR**

VINTAGE HOSPITALITY GROUP, LLC

By: _____
Name: _____
Title: _____

**THE OBLIGATED PARTIES**

**FRANCHISEE**

By: _____
Name: _____
Title: _____
_____

**OBLIGATED PARTY**
(If an Individual)

_____
Name: _____

**OBLIGATED PARTY**
(If an Individual)

_____
Name: _____

# ATTACHMENT 9

## GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS in connection with that certain Franchise Agreement of even date herewith (which Franchise Agreement, as may have been modified, amended and/or supplemented in writing) ["the Franchise Agreement"] by and between Vintage Hospitality Group, LLC as "Franchisor" and **[FRANCHISEE]** (the "Franchisee") as "Franchisee".

1. For valuable consideration received, and as an inducement to Franchisor to enter into the Franchise Agreement, the undersigned ("Guarantor") hereby unconditionally guarantees to Franchisor: (a) the full and timely performance by Franchisee of all terms, conditions and covenants under the Franchise Agreement; and (b) the payment by Franchisee of royalties and all other sums payable by Franchisee under the Franchise Agreement or any agreement(s) between Franchisee and Franchisor. The undersigned, severally and jointly, hereby agree: (i) to be personally bound by, and personally liable for the breach of, each and every term, provision, agreement and covenant contained and set forth in the Franchise Agreement (including any amendments or modifications of the Franchise Agreement) or any other agreement with Franchisor (the "Agreements"), including, but not limited to, monetary obligations and any obligations to take or refrain from taking specific actions and to engage or refrain from engaging in specific activities; and (ii) that this Guaranty shall be construed as if each of the undersigned were the original Franchisee at the time of the execution of the Franchise Agreement as well as any of the other Agreements.

2. Guarantor agrees that (1) the obligations shall be enforceable against Guarantor without the necessity for any suit or proceedings whatsoever against Franchisee, and without the necessity of any notice of nonpayment, nonperformance or nonobservance or any notice of acceptance of this Agreement or any other notice or demand to which Guarantor might otherwise be entitled, all of which Guarantor hereby expressly waives; (2) no extension, forbearance or leniency extended by Franchisor to Franchisee shall wholly or partially discharge, diminish or otherwise affect Guarantor's liability hereunder, notwithstanding that Guarantor had no notice of any breach or default of the Franchise Agreement or of any such leniency, forbearance or extension; (3) Franchisor and Franchisee, without notice to or consent by Guarantor, may at any time(s) enter into modifications, renewals, extensions, amendments and/or other agreements respecting the Franchise Agreement, and Guarantor shall not be wholly or partially released thereby, it being intended that Guarantor shall continue as guarantor with respect to the Franchise Agreement as so modified, renewed, extended, amended or otherwise affected and notwithstanding any transfer or assignment of the Franchise Agreement; and (5) immediately upon each and every breach or default of the Franchise Agreement by Franchisee, whether before or during the term of the Franchise Agreement or thereafter (e.g., during any renewal term), without any notice to or demand upon Guarantor, Guarantor will: (i) pay to Franchisor or Franchisor's affiliates the sum or sums in arrears, (ii) pay to Franchisor all damages, including but not limited to any expenses, costs and fees incurred by Franchisor, that may be occasioned by Franchisee's nonperformance, and (iii) comply with or perform all

terms and conditions of the Franchise Agreement.

3. The obligations of Guarantor herein shall be co-extensive with those of Franchisee under the Franchise Agreement and shall remain in effect as long as Franchisee's obligations under the Franchise Agreement are in effect. This Agreement is absolute and unconditioned and shall continue without being affected by any impairment, release or limitation of the liability of Franchisee or its estate in bankruptcy resulting from the operation of any present or future provision of the Bankruptcy Code of the United States or from the decision of any court interpreting the same. Guarantor further agrees to be bound by each and every obligation of Franchisee under the Franchise Agreement, with the same force and effect as if Guarantor were designed in and had executed the Franchise Agreement as Franchisee thereunder.

4. This Agreement is a primary guaranty of payment and performance and shall not be subject to any counterclaim, set-off, deduction or defense. No failure or delay on the part of Franchisor in exercising any right or remedy under the Franchise Agreement and/or this Agreement shall operate as a waiver thereof nor shall a single or partial exercise of any right or remedy preclude any other or further exercise thereof, and all rights and remedies of Franchisor hereunder and under the Franchise Agreement shall be cumulative. Until all Franchisee's obligations under the Franchisee are fully performed, Guarantor waives any rights that it may have against Franchisee by reason of Guarantor's compliance with this Agreement and subordinates any liability or indebtedness of Franchisee held by Guarantor to the obligations of Franchisee to Franchisor under the Franchise Agreement.

5. If Guarantor consists of more than one person and/or entity, (a) this Agreement shall be binding on all of them jointly and severally, and (b) notice to or from any of them will constitute notice to or from each of them.

6. Any notice or other communication to Franchisor may be addressed to Vintage Hospitality Group, LLC, 501 N Reo St., Suite 102, Tampa, Florida 33609, Attention: Marc Brown, or such other address as may be designated by Franchisor by registered or certified mail, return receipt requested, and the time of rendition of such notice or other communication shall be when it is deposited in an official United States Mail receptacle, postage prepaid.

7. This Agreement, which is to be governed by and construed in accordance with the laws of the State of Florida, shall also bind Guarantor's legal or personal representatives, heirs, successors and assigns (as the case may be) and inure to the benefit of Franchisor's successors and assigns and any other person or entity at any time having the rights of Franchisor under the Franchise Agreement.

8. If the Franchisor, or its assigns, is required to enforce this Guaranty in a court action or arbitration proceeding, and prevails in such proceeding, it shall be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If

the Franchisor engages legal counsel in connection with any failure by the undersigned to comply with this Guaranty, the undersigned shall reimburse the Franchisor for any of the above-listed costs and expenses incurred by it.

9. Any sums not paid to Franchisor when due hereunder will bear interest at the rate of the lesser of: (i) 18% per annum; or (ii) the highest interest rate legally permitted in the state in which the Restaurant is located, from the due date until full payment is received by Franchisor.

10. Guarantor expressly agrees that Franchisor, or its assigns, shall have the option, in its sole and unfettered discretion, to choose to enforce this Guaranty by commencing either: (i) a court action in any state or federal court of competition jurisdiction in the State of Florida, City of Tampa, and the undersigned Guarantor(s) irrevocably submit(s) to the jurisdiction and venue of those courts and waive(s) any objection to jurisdiction and venue of those courts; or (ii) an arbitration proceeding in the manner described and set forth in Section 22.1(f) of the Franchise Agreement, which provisions are specifically incorporated by reference herein.

11. As a further inducement to Franchisor to make and enter into the Franchise Agreement and in consideration thereof, Guarantor agrees that in any action or proceeding brought on, under or by virtue by this Agreement, Guarantor shall and does hereby waive trial by jury and the benefit of any statute of limitations defense, and Guarantor agrees that the applicable courts of Florida may have jurisdiction over Guarantor upon appropriate service on Guarantor anywhere in the United States in a manner in accordance with the laws of Florida. Without limiting the foregoing, Guarantor hereby irrevocably appoints Franchisee as Guarantor's agent for service of process related to this Agreement.

12. This Agreement contains the entire agreement between the parties with respect to the matters covered hereby, and Guarantor acknowledges that no agent, representative, salesman or officer of Franchisor has authority to make or has made any statement, agreement or representation, either oral or written, in connection herewith, modifying, adding to or changing the terms and conditions herein set forth. No customs or dealings between the parties shall be permitted to contradict or modify the terms hereof. This Agreement shall not be construed more strictly against one party merely by reason of such party's preparation hereof. If any provision of this Agreement shall be held to be invalid or unenforceable, to the maximum extent possible the remaining provisions hereof shall in no way be affected or impaired and such remaining provisions shall continue in full force and affect. Neither this Agreement nor any of its provisions can be waived, modified or terminated orally, but only by a written instrument duly executed by or on behalf of the party against whom enforcement of any waiver, modification or termination is sought.

13. Guarantor fully and expressly intends that the foregoing requirements as to a writing be strictly adhered to and strictly interpreted and enforced by any court that may be asked to consider the matter. This Agreement, and Franchisor's (or its assign's) ability to enforce this Agreement, shall survive the expiration or termination of the Franchise Agreement (or any Agreements), including any extensions or renewals thereof.

*[Signature page follows.]*

GUARANTOR:

By: _____

Name: _____

By: _____

Name: _____

GUARANTOR:

By: _____

Name: _____

# ATTACHMENT 10

## STEP-IN RIGHTS AGREEMENT

THIS STEP-IN RIGHTS AGREEMENT (the "Agreement") is made and entered into this day_____between Vintage Hospitality Group, LLC, a Florida limited liability company, 501 N Reo St., Suite 102, Tampa, Florida 33609, ("Franchisor") and **[FRANCHISEE]** ("Franchisee").

**WHEREAS**, Franchisor has developed a unique system (the "System") for the development and operation of gourmet burger bars and restaurants under the name and mark "Ford's Garage" ("Franchised Business");

**WHEREAS**, Franchisor has granted Franchisee the limited right to operate a Franchised Business to engage in the business of providing a full-service restaurant and bar that combines the look of a 1920's service station/prohibition bar with the feel of a modern day "around the corner" Prime Burger and Craft Beer Joint with on-site dining or carry-out;

**WHEREAS**, Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20___ ("Franchise Agreement");

**WHEREAS**, Franchisor and Franchisee have agreed in the Franchise Agreement and otherwise, on the importance to Franchisor of preventing any interruption in the operations of any Franchised Business, which could cause harm to that Franchised Business, the Franchisor and/or the System by reducing the value thereof; and

**WHEREAS**, Franchisee acknowledges and agrees that, in order to protect against the above, Franchisor shall have the right, at its sole discretion, to temporarily "step in" and manage the operations of Franchisee's Business pursuant to Sections 15.8, 16.1, 17.1 and 17.2 of the Franchise Agreement.

**NOW, THEREFORE**, in consideration of the foregoing premises, the compensation paid or to be paid to Franchisor, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Franchisee covenants and agrees as follows:

1. Franchisor's Step-In Rights.

(a) Pursuant to that certain Franchise Agreement, Franchisor has the right (but not the obligation), in its sole discretion, to "step in" and take control over the management of the Restaurant, if, without limitation:

(i) Franchisor determines, in its sole judgment, that Franchisee's proper operation of the Restaurant is in jeopardy, including, but not limited to, Franchisee engaging in any business or advertising practice which might injure either Franchisee's or Franchisor's business or the goodwill associated with the Marks or with other Franchised Businesses;

(1) Franchisee is in default under:
(2) the Franchise Agreement;

(3) any other agreement between Franchisee and Franchisor or any of Franchisor's affiliates; or

(4) the lease for the location of the Restaurant;

(ii) Franchisee dies, is deemed disabled or incapacitated or is periodically or regularly absent from the Restaurant for whatever reason.

(b) Should Franchisor elect, either on its own or upon Franchisee's request, to exercise its right to enter the Premises and take over the operation of the Franchised Business, Franchisee acknowledges and agrees that Franchisor's right to "step in" and operate (or arrange for another person or entity to operate) the Franchised Business shall continue until such time that Franchisor determines that it shall either: (i) terminate Franchisee's franchise or (ii) return the operation of Franchisee's business to Franchisee.

2. Management Fee and Expenses. If Franchisor steps in to manage the Franchised Business, as provided for in the Franchise Agreement, and pursuant to this Agreement, Franchisee expressly agrees to: (1) pay Franchisor its then-current Management Fee, which shall not be in excess of 3% of Gross Sales, for the Franchisor to temporarily manage the Franchised Business; and (2) reimburse Franchisor for the expenses (including, but not limited to, travel, lodging and meals for each representative sent by Franchisor) Franchisor incurs in providing management assistance.

3. Monies Generated During Step-In Period. Franchisor and Franchisee acknowledge and agree that all monies generated during the period of time that Franchisor operates Franchisee's Business shall be placed in a separate account, that Franchisor shall oversee and maintain, and the expenses of the Business, including the Management Fee and expenses incurred by Franchisee, shall be charged to said account and paid to Franchisor or its designee(s).

4. Indemnification. In the event Franchisor exercises its Step-In Rights, Franchisee agrees to indemnify, defend and hold Franchisor (and Franchisor's representatives and employees) harmless from and against any claims that may arise out of Franchisor's operation of the Franchised Business. Franchisee agrees to pay all of Franchisor's reasonable attorneys' fees and costs incurred as a consequence of our exercise of the Step-In Rights.

5. Rights Cumulative. Franchisee expressly acknowledges that nothing contained herein shall prevent Franchisor from exercising any other right which it may have under the Franchise Agreement, including, without limitation, termination of the Franchise Agreement.

6. Dispute Resolution. Franchisor and Franchisee each expressly agree that in the event of any dispute between them arising out of or related to: (i) this Agreement or any provision hereof; (ii) Franchisor's exercise of its Step-In Rights; or (iii) the validity of this Agreement, then in any such event, before beginning any legal action to interpret or enforce this Agreement,

they will first follow the dispute resolution procedures described below.

(a) Initiation of Procedures. The Party that initiates these procedures ("Initiating Party") shall give written notice to the other Party, describing in general terms the nature of the dispute, specifying the Initiating Party's claim for relief, and identifying one or more people with authority to settle the dispute for him, her, or it. The Party receiving the notice ("Responding Party") will, within ten (10) days of receipt of said notice, provide the Initiating Party with a response to the Initiating Party's description of the dispute and will designate, by written notice to the Initiating Party, one or more people with authority to settle the dispute on the Responding Party's behalf. These people are called the "Authorized People."

(b) Negotiation. The parties may investigate the dispute as they consider appropriate, but agree to meet in person, by prearranged teleconference, or by video conference within fifteen (15) days from the date of written notice from one party ("Initiating Party") to the other to discuss resolution of the dispute. The parties may meet at any times and places and as often as they agree.

(c) Mediation. If the dispute has not been resolved within thirty (30) days after the initial meeting, the Parties shall engage in mediation, with either Party having the right to begin mediation procedures by filing a Request for Mediation with the American Arbitration Association ("AAA") and providing the other Party with a copy thereof in the manner designated for written notices in this Agreement. The Mediation will be conducted by and under the AAA, or under the auspices of such other organization or mediator to which the parties may agree and shall last no longer than two (2) days, unless otherwise agreed upon by written agreement of the parties. The parties will share the costs of mediation, other than attorney fees, equally. All applicable statutes of limitation shall tolled during the course of any mediation which is initiated before the last day of the limitations period with the tolling beginning the date that the Request for Mediation is deemed to be received by the recipient Party (pursuant to the Notices provision contained in this Agreement), and continuing until ten (10) days after the mediation is either concluded or suspended due to a Party's failure or refusal to participate in the mediation in violation of this Agreement. The parties shall choose one (1) mutually acceptable mediator by agreement. In the event that the Parties are not able to agree on the selection of a mediator, the Parties agree that the AAA will designate a mediator in connection with the dispute in accordance with its procedures and policies. The Mediation will be held at a location within Tampa, FL as designated by Franchisor, or if no such designation is made, at such other location as is mutually agreed upon by the parties.

(d) Arbitration. Any dispute between the parties under, or arising out of, or in connection with, this Agreement, if not resolved by the negotiation and mediation procedures above, shall be settled by arbitration administered by

the AAA under its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction within the State of Florida. Any arbitration shall be before a single arbitrator and the arbitration shall be held at a location within Tampa, FL, as selected by the Parties, or, if the Parties cannot agree on a location, at a location as directed by the arbitrator. The Federal Arbitration Act shall govern, excluding all state arbitration laws. Florida State law will govern all other issues. This arbitration clause will not deprive either party of any right it may otherwise have to seek provisional injunctive relief from a court of competent jurisdiction. The arbitrator shall award costs and expenses, including without limitation, filing and administrative fees, the arbitrator's costs and expenses, and attorneys' fees, to the successful party.

Franchisor and Franchisee agree that arbitration shall be conducted on an individual, not a class-wide, basis and that an arbitration proceeding between Franchisor and Franchisee shall not be consolidated with any other arbitration proceeding involving Franchisor and any other natural person, association, corporation, partnership or other entity.

Nothing contained in this Section 6, shall restrict or prohibit the Franchisor from exercising its "Step-In Rights" as provided for in this Agreement.

7. Miscellaneous Provisions.

(a) Entire Agreement; Amendment. This Agreement contains the entire agreement and understanding between the parties thereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements, understandings, inducements and conditions, express or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. The express terms hereof control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof. This Agreement may not be modified or amended other than by an agreement in writing signed by each of the parties hereto.

(b) Severability. Except as expressly provided to the contrary herein, each section, paragraph, term and provision of this Agreement, and any portion thereof, shall be considered severable and if, for any reason, any such portion of this Agreement is held to be invalid, contrary to, or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency or tribunal with competent jurisdiction in a proceeding to which Franchisor is a party, that ruling shall not impair the operation of, or have any other effect upon, such other portions of this Agreement as may remain otherwise intelligible, which shall continue to be given full force and effect and bind the parties hereto.

(c) Law to Govern; Jurisdiction; Right to Jury Trial and Class Action Waived; Certain Damages Waived; Statute of Limitations. This Agreement will be governed by, and construed and enforced in accordance with, the laws of the State of Florida, regardless of

any conflict-of-law provisions to the contrary. Each party agrees that any litigation between the parties will be commenced and maintained only in the courts located in Tampa, FL, and each party consents to the jurisdiction of those courts; provided, however, that Franchisor may seek to obtain injunctive relief in any court that Franchisor may select. FRANCHISOR AND FRANCHISEE EACH HEREBY WAIVE THEIR RIGHT TO A JURY TRIAL. FRANCHISEE WAIVES THE RIGHT TO INITIATE OR PARTICIPATE IN A CLASS ACTION IN ANY FORUM, INCLUDING, WITHOUT LIMITATION, PARTICIPATING IN ANY CLASS OR GROUP ARBITRATION, AND WAIVES THE RIGHT TO SUE FOR OR COLLECT PUNITIVE, CONSEQUENTIAL OR SPECIAL DAMAGES IN ANY FORUM, INCLUDING, WITHOUT LIMITATION, IN ANY ARBITRATION. NOTWITHSTANDING ANYTHING CONTAINED IN THIS AGREEMENT TO THE CONTRARY, FRANCHISEE AGREES THAT ANY CLAIMS UNDER, ARISING OUT OF, OR RELATED TO, THIS AGREEMENT MUST BE BROUGHT WITHIN ONE YEAR OF THE DATE ON WHICH THE UNDERLYING CAUSE OF ACTION ACCRUED, AND FRANCHISEE HEREBY WAIVES ANY RIGHT TO BRING ANY SUCH ACTION AFTER SUCH ONE-YEAR PERIOD.

(d) Binding Nature of Agreement. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

IN WITNESS WHEREOF, Franchisor and Franchisee have caused this Step-In Rights Agreement to be executed as of the date first written above.

## FRANCHISOR:

**Vintage Hospitality Group, LLC**

By:_____

Print Name: _____

Title: _____

## FRANCHISEE:

By:_____

Print Name: _____

Title: _____

# Attachment 11

## INTERNET ADVERTISING, SOCIAL MEDIA, SOFTWARE, AND TELEPHONE ACCOUNT AGREEMENT

**THIS INTERNET ADVERTISING, SOCIAL MEDIA, SOFTWARE, AND TELEPHONE ACCOUNT AGREEMENT** (the "Agreement") is made and entered into this day of _____ (the "Effective Date") by and between Vintage Hospitality Group, LLC a Florida Limited Liability Company, with its principal office located at 501 N Reo St., Suite 102, Tampa, Florida 33609 (the "Franchisor"), and **[FRANCHISEE]** (the "Franchisee").

**WHEREAS**, Franchisee desires to enter into a franchise agreement with Franchisor for a Ford's Garage Restaurant business ("Franchise Agreement") which will allow Franchisee to conduct internet-based advertising, maintain social media accounts, and use telephone listings linked to the Ford's Garage Restaurant brand.

**WHEREAS**, Franchisor would not enter into the Franchise Agreement without Franchisee's agreement to enter into, comply with, and be bound by all the terms and provisions of this Agreement;

**NOW, THEREFORE**, for and in consideration of the foregoing and the mutual promises and covenants contained herein, and in further consideration of the Franchise Agreement and the mutual promises and covenants contained therein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### 1. Definitions

All terms used but not otherwise defined in this Agreement shall have the meanings set forth in the Franchise Agreement. "Termination" of the Franchise Agreement shall include, but shall not be limited to, the voluntary termination, involuntary termination, or natural expiration thereof.

### 2. Internet Advertising and Telephone Listings

2.1 Interest in Web Sites, Social Media Accounts, Other Electronic Listings and Software. Franchisee may acquire (whether in accordance with or in violation of the Franchise Agreement) during the term of Franchise Agreement, certain right, title, or interest in and to certain domain names, social media accounts, hypertext markup language, uniform resource locator addresses, access to corresponding internet web sites, the right to hyperlink to certain web sites and listings on various internet search engines, and the right to use certain software (collectively, "Electronic Advertising and Software") related to the Franchised Business or the Marks.

2.2 Interest in Telephone Numbers and Listings. Franchisee has or will acquire during the term of the Franchise Agreement, certain right, title, and interest in and to those certain telephone numbers and regular, classified, internet page, and other telephone directory listings (collectively, the "Telephone Listings") related to the Franchised Business or the Marks.

2.3 Transfer. On Termination of the Franchise Agreement, or on periodic request of Franchisor, Franchisee will immediately:

2.3.1 direct all internet service providers, domain name registries, internet search engines, other listing agencies and software companies (collectively, the "Internet and Software Companies") with which Franchisee has Electronic Advertising and Software: (i) to transfer all of Franchisee's interest in such Electronic Advertising and Software to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Electronic Advertising and Software, Franchisee will immediately direct the Internet and Software Companies to terminate such Electronic Advertising and Software or will take such other actions with respect to the Electronic Advertising and Software as Franchisor directs; and

2.3.2 direct all telephone companies, telephone directory publishers, and telephone directory listing agencies (collectively, the "Telephone Companies") with which Franchisee has Telephone Listings: (i) to transfer all Franchisee's interest in such Telephone Listings to Franchisor; and (ii) to execute such documents and take such actions as may be necessary to effectuate such transfer. In the event Franchisor does not desire to accept any or all such Telephone Listings, Franchisee will immediately direct the Telephone Companies to terminate such Telephone Listings or will take such other actions with respect to the Telephone Listings as Franchisor directs.

2.4 Appointment; Power of Attorney. Franchisee hereby constitutes and appoints Franchisor and any officer or agent of Franchisor, for Franchisor's benefit under the Franchise Agreement and this Agreement or otherwise, with full power of substitution, as Franchisee's true and lawful attorney-in-fact with full power and authority in Franchisee's place and stead, and in Franchisee's name or the name of any affiliated person or affiliated company of Franchisee, to take any and all appropriate action and to execute and deliver any and all documents that may be necessary or desirable to accomplish the purposes of this Agreement. Franchisee further agrees that this appointment constitutes a power coupled with an interest and is irrevocable until Franchisee has satisfied all of its obligations under the Franchise Agreement and any and all other agreements to which Franchisee and any of its affiliates on the one hand, and Franchisor and any of its affiliates on the other, are parties, including without limitation this Agreement. Without limiting the generality of the foregoing, Franchisee hereby grants to Franchisor the power and right to do the following:

2.4.1 Direct the Internet and Software Companies to transfer all Franchisee's interest in and to the Electronic Advertising and Software to Franchisor, or alternatively, to direct the Internet and Software Companies to terminate any or all of the Electronic Advertising and Software;

2.4.2 Direct the Telephone Companies to transfer all Franchisee's interest in and to the Telephone Listings to Franchisor, or alternatively, to direct the Telephone Companies to terminate any or all of the Telephone Listings; and

2.4.3 Execute such standard assignment forms or other documents as the Internet and Software Companies and/or Telephone Companies may require in order to affect such transfers or terminations of Franchisee's interest.

2.5 Certification of Termination. Franchisee hereby directs the Internet and Software Companies and Telephone Companies to accept, as conclusive proof of Termination of the Franchise Agreement, Franchisor's written statement, signed by an officer or agent of Franchisor, that the Franchise Agreement has terminated.

2.6 Cessation of Obligations. After the Internet and Software Companies and the Telephone Companies have duly transferred all Franchisee's interests as described in paragraph 2.3 above to Franchisor, as between Franchisee and Franchisor, Franchisee will have no further interest in, or obligations with respect to the particular Electronic Advertising and Software and/or Telephone Listings. Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Internet and Software Companies and Telephone Companies for the respective sums Franchisee is obligated to pay to them for obligations Franchisee incurred before the date Franchisor duly accepted the transfer of such interests, or for any other obligations not subject to the Franchise Agreement or this Agreement.

## 3. **Miscellaneous**

3.1 Release. Franchisee hereby releases, remises, acquits, and forever discharges each and all of the Internet and Software Companies and/or Telephone Companies and each and all of their parent corporations, subsidiaries, affiliates, directors, officers, stockholders, employees, and agents, and the successors and assigns of any of them, from any and all rights, demands, claims, damage, losses, costs, expenses, actions, and causes of action whatsoever, whether in tort or in contract, at law or in equity, known or unknown, contingent or fixed, suspected or unsuspected, arising out of, asserted in, assertible in, or in any way related to this Agreement.

3.2 Indemnification. Franchisee is solely responsible for all costs and expenses related to its performance, its nonperformance, and Franchisor's enforcement of this Agreement, which costs and expenses Franchisee will pay Franchisor in full, without defense or setoff, on demand. Franchisee agrees that it will indemnify, defend, and hold harmless Franchisor and its affiliates, and its and their directors, officers, shareholders, partners, members, employees, agents, and attorneys, and the successors and assigns of any and all of them, from and against, and will reimburse Franchisor and any and all of them for, any and all loss, losses, damage, damages, debts, claims, demands, or obligations that are related to or are based on this Agreement.

3.3 No Duty. The powers conferred on Franchisor hereunder are solely to protect Franchisor's interests and shall not impose any duty on Franchisor to exercise any such powers. Franchisee expressly agrees that in no event shall Franchisor be obligated to accept the transfer of any or all of Franchisee's interest in any matter hereunder.

3.4 Further Assurances. Franchisee agrees that at any time after the date of this Agreement, Franchisee will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the purposes of this Agreement.

3.5 Successors, Assigns, and Affiliates. All Franchisor's rights and powers, and all Franchisee's obligations, under this Agreement shall be binding on Franchisee's successors, assigns, and affiliated persons or entities as if they had duly executed this Agreement.

3.6 Effect on Other Agreements. Except as otherwise provided in this Agreement, all provisions of the Franchise Agreement and exhibits and schedules thereto shall remain in effect as set forth therein.

3.7 Survival. This Agreement shall survive the Termination of the Franchise Agreement.

3.8 Governing Law. This Agreement shall be governed by and construed under the laws of the State of Florida without regard to the application of Florida conflict of law rules.

*[Signature page follows.]*

The undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date.

FRANCHISOR:

**Vintage Hospitality Group, LLC**

By:_____

_____, _____
(Print Name, Title)

FRANCHISEE:

By:_____

Print Name:_____

Title: _____

# Attachment 12
## SCHEDULE G

### SUB-LICENSEE/RESTAURANT LOCATION REQUEST FORM

When submitting a proposed Sub-licensee and/or location for approval, Licensee, shall submit the following information to Licensor.

Sub-licensee name:

Sub-licensee address:

Sub-licensee principals:

Sub-licensee business background (include previous business entities and their current status):

Sub-licensee financial condition:

Proposed Location:

- ☐ Physical Address of Location
- ☐ Map specifying Location in relation to existing other Ford's Garage Locations
- ☐ Demographic report showing 1 mile, 3 mile and 5-mile typical demographic data
- ☐ Written Description of Location Attributes
- ☐ Google Maps Overhead View showing other National Restaurant/Retail brands in adjacent area.
- ☐ Ford's Garage Projected Annual volume for proposed site.

Please provide any additional information relevant to Licensor's assessment of this prospective sub-licensee:

| | |
|---|---|
| LICENSEE:<br>Vintage Hospitality Group, LLC | LICENSOR:<br>Ford Motor Company |
| By: _____ | By: _____ |
| Title: _____ | Title: _____ |

# Attachment 13
## FRANCHISEE STATEMENT OF LEGAL COMPOSITION

Franchisee, (*insert legal name of franchisee*)_____("Franchisee") represents, warrants, and covenants that the following information is true, correct, and complete as of the date given below.

1. Select Franchisee entity type:
   Individual partnership corporation limited liability company

2. Franchisee is duly organized on *(insert formation date)*:

3. Franchisee exists under the laws of *(insert state where formed)*:

4. Franchisee Address: _____

5. Franchisee Phone: _____

6. Franchisee Fax:_____

7. Franchisee Email: _____

8. List the names, addresses and ownership percentages of each person having a direct or indirect ownership interest in Franchisee:

| **Name** | **Address** | **% of Ownership** |
|---|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |

9. Ability to sign on behalf of Franchisee:

   a. If a corporation, list the names of officers and directors of the corporation; or
   b. If a limited liability company, list the names of members and the managing member(s) of the company; or
   c. If a partnership, list the names of the partners and the general partner of the partnership.

| **Name** | **Title** | **Has authority to sign franchise agreements, leases, etc. on behalf of Franchisee** | |
|---|---|---|---|
| | | Yes | No |
| | | Yes | No |
| | | Yes | No |

| | | | |
|---|---|---|---|
| | | Yes | No |
| | | Yes | No |

Legal Name of Designated Manager: _____

Signature: _____

Print Name: _____

Title: _____

Date: _____

Please attach copies of your Formation Documents to this form and return to:

Vintage Hospitality
Group LLC 501 N
Reo St., Suite 102
Tampa, Florida 33609
Attn: Franchise
Tel. 813-761-3752
Email: franchise@fordsgarageusa.com

**Formation Documents which must accompany this Statement of Legal Composition (if not already submitted)**

Corporation:

- Articles of Incorporation
- Bylaws
- Any Additional Minutes (including Consent to change: Shareholders, Shareholder's ownership of shares, etc.)

Partnership:

- Statement of Partnership
- Partnership Agreement
- Any Amendments/Updates to the Partnership Agreement (including Amendments to change: Partners, Partner's percentage of ownership, etc.)

Limited Liability Company:

- Statement of Formation
- Operating Agreement
- Any Amendments/Updates to the Operating Agreement (including Amendments to change: Members, Member's percentage of ownership, etc.)

# EXHIBIT C

## MULTI UNIT DEVELOPER AGREEMENT

**VINTAGE HOSPITALITY GROUP, LLC**

**FORD'S GARAGE**

**MULTI-UNIT DEVELOPMENT AGREEMENT**

**FRANCHISOR:**
Vintage Hospitality Group, LLC 501 N Reo St., Suite 102, Tampa, Florida 33609

**MULTI-UNIT DEVELOPER:**
_____

THIS MULTI-UNIT DEVELOPMENT AGREEMENT (the "Agreement") is made and entered into this day ____ _____by and between Vintage Hospitality Group, LLC, a Florida Limited Liability Company, with its principal office located at 501 N Reo St., Suite 102, Tampa, Florida 33609 ("we" "our", "us" and "Franchisor"), and _____ an individual residing at _____ and _____ an individual residing at _____ _____ ("you", "your" and "Developer.")

## RECITALS

**WHEREAS**, Franchisor and its Affiliates (as defined below) have developed a unique and distinctive business system (the "System") for the development and operation of a full-service restaurant and bar that combines the look of a 1920's service station/prohibition bar with the feel of a modern day "around the corner" Prime Burger and Craft Beer Joint with on-site dining or carry-out. The restaurant is a gourmet burger bar that will offer its patrons lunch and dinner menus, featuring the finest varieties of Black Angus Beef, American Kobe, turkey, chicken, tuna, seafood and vegetarian products coupled with all natural aged Cheeses, gourmet toppings and local farm fresh produce. The restaurant will also offer a selection of non-alcoholic and alcoholic beverages, including a large selection of American Craft Beer. The System operates under the name "Ford's Garage Restaurant" (a "Restaurant" or "Ford's Garage Restaurant");

**WHEREAS**, the distinguishing characteristics of the System include, without limitation one of the, distinctive exterior and interior design, décor, color scheme, and furnishings; proprietary products and ingredients; proprietary recipes and special menu items, uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; procedures for inventory, management and financial control; training and assistance; and advertising and promotional programs; all of which may be changed, improved, and further developed by us from time to time;

**WHEREAS**, the System is identified by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including, but not limited to, the marks "Ford's Garage" and such other trade names, service marks, and trademarks as are now designated (and may hereafter be designated by us in writing) for use in connection with the System (hereinafter referred to as "Marks"). The Marks are owned by Ford Motor Company ("Ford"), which has licensed the Marks to Franchisor so that Franchisor may sub-license the Marks to selected persons,

businesses or entities who comply with the uniformity requirements and quality standards of Franchisor and Ford;

**WHEREAS**, Developer understands and acknowledges the importance of high standards of quality, appearance, procedures, controls, and service established by Franchisor, and the necessity of operating the Restaurants in strict conformity with the standards and specifications we establish; and

**WHEREAS**, you wish to obtain certain development rights to develop, open and operate Restaurants operating under the Marks under the System within the Development Area described in this Multi-Unit Development Agreement.

**NOW THEREFORE**, in consideration of the mutual promises and covenants set forth in this Agreement, Franchisor and Developer agree and contract as follows:

## ARTICLE I: DEFINITIONS

Whenever used in this Agreement, the following words and terms have the following meanings:

**"Affiliate"** means any business entity that controls, is controlled by, or is under common control with Franchisor.

**"Agreement"** means this agreement entitled "Ford's Garage Multi-Unit Development Agreement" and all instruments supplemental hereto or in amendment or confirmation hereof.

**"Accepted Location"** means the site for the operation of the Franchised Business that is selected by Developer, meets Franchisor's then-current site selection criteria, and is accepted in writing by Franchisor.

**"Competitive Business"** means any business that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) products or services as follows: (i) any "automobile themed" restaurant and/or bar; or (ii) any other restaurant or bar where the sale of hamburgers constitutes twenty five (25%) percent or more of the restaurant or bar's food sales (i.e., excluding liquor or other beverages as well as all non-food items such as merchandise); provided, however, that the term "Competitive Business" shall not apply to (a) any business operated by Developer under a Franchise Agreement with Franchisor, or (b) any business operated by a publicly-held entity in which Developer owns less than a five percent (5%) legal or beneficial interest.

**"Confidential Information"** means information used in or related to Ford's Garage Franchised Businesses and not commonly known by or available to the public, including, without limitation, Trade Secrets and any other information identified or labeled as confidential when delivered by Franchisor.

**"Developer"** means the person or business entity referred to in the opening paragraph of

this Agreement as "you" or "your."

**"Development Schedule"** is that schedule of Restaurants to be opened set forth in Attachment 1.

**"Effective Date"** means the date on which Franchisor and Developer have both fully executed this Agreement, thereby commencing its effectiveness and term.

**"Franchised Business"** means the Ford's Garage Restaurant franchised business that you operate under the Ford's Garage Franchise Agreement.

**"Gross Sales"** means the all sales and revenues generated from the operations of the Restaurant(s) from any source whatsoever or from the sale of any Licensed Products or other items through other authorized channels (e.g. Restaurant websites), including without limitation, from sales of food and beverages, sales of Licensed Products or any merchandise not themed to the Licensed Products, any so-called "door charges", cover charges, admission charges, entertainment or special event charges, other amounts received through or by means of business conducted pursuant to this Agreement, the Franchise Agreement(s) or any other agreement between the Company and Prospect, whether for cash or credit, exclusive of: (1) sales, value added, or service taxes actually and lawfully collected from customers; (2) all customer refunds; (3) customary tips and gratuities received by Restaurant employees in the normal course of business. For the avoidance of doubt, proceeds from the sale or disposition of property and equipment not ordinarily offered for sale to customers and interest income, dividends or capital gains shall not be considered to be revenue from the operations of a Restaurant.

**"Licensed Products"** means the Ford logo themed promotional products and merchandise, including, but not limited to, T-Shirts, jackets, hats, sweatshirts, gift cards, toy flying disks, pens, refillable cigarette lighters, bottle openers, insulated can coolers and bottle coolers, license plates, beer cups and mugs, coasters and bandanas (scullies), manufactured by (or produced for) Franchisor to be distributed, offered for sale, sold, advertised and promoted in Restaurants developed under this Agreement, through mail order to customers of the Restaurants and through Franchisor's website.

**"Marks"** means the trade name or trademark "Ford's Garage" and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as Franchisor may designate to be used in connection with Ford's Garage Franchised Businesses;

**"Operations Manual"** means the Ford's Garage Operations Manual, whether in paper or electronic form, and any other items as may be provided, added to, changed, modified or otherwise revised by Franchisor from time to time that contain or describe the standards, methods, procedures and specifications of the System, including other operations, administration and managers' manuals and all books, computer programs, password-protected portions of an Internet site, pamphlets, memoranda and other publications prepared by, or on behalf of, Franchisor.

**"Owners"** refers to the list of holders of a legal and beneficial interest in Developer who are listed in Attachment 3 to this Agreement.

**"Permanent disability"** shall mean any physical, emotional or mental injury, illness or incapacity which would prevent a person from performing the obligations set forth in this Agreement or in the guaranty made part of this Agreement for at least ninety (90) consecutive days and from which condition recovery within ninety (90) days from the date of determination of disability is unlikely;

**"Restaurant"** shall have the same definition as Franchised Business above;

**"System"** means the uniform standards, methods, procedures and specifications developed by Franchisor and as may be added to, changed, modified, withdrawn or otherwise revised by Franchisor for the operation of Ford's Garage Businesses; and

**"Trade Secrets"** means information in any form (including, but not limited to, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in Ford's Garage Franchised Businesses that are not commonly known by or available to the public and that: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertained by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

## ARTICLE II: GRANT OF RIGHTS; DEVELOPMENT AREA

**2.1** Subject to the terms of this Agreement, Franchisor hereby grants to Developer the right, and Developer hereby accepts the obligation, to develop and operate (the "Development Rights") _____ (___) Ford's Garage Restaurants in the Development Area (the "Restaurants"), and to use the System and the Marks in connection therewith, pursuant to the Development Schedule set forth in Attachment 1 of this Agreement (the "Development Schedule").

**2.2** Each Restaurant developed under this Agreement must be located within the Development Area that is specified in Attachment 2 attached hereto.

**2.3** Each Restaurant for which a Development Right is granted hereunder shall be established and operated pursuant to a Franchise Agreement to be entered into between Franchisor and Developer (or an "affiliate" of Developer, as the term "Affiliate" is defined herein) by the deadline set forth in the Development Schedule and in accordance with the procedure set forth in this Agreement.

**2.4** Except as otherwise provided in this Agreement, Franchisor shall not establish, nor grant anyone other than Developer to establish, a Restaurant in the Development Area during the term of this Agreement, provided Developer is not in default hereunder.

**2.5** This Agreement is not a Franchise Agreement and does not grant to Developer any right to use the Marks or System.

## ARTICLE III: DEVELOPMENT FEE

### 3.1 Payment of Development Fee.

In consideration of the Development Rights Franchisor has granted to Developer, Developer will pay to Franchisor, on or before the date of this Agreement, a development fee equal to Fifty Thousand ($50,000.00) Dollars for the first Restaurant that Developer has the right to establish pursuant to the Development Schedule and Twenty-Five Thousand ($25,000), or half of the Franchise Fee for each additional Restaurant the Developer has the right to establish pursuant to the Development Schedule (the "Development Fee"). The remaining Franchise Fee of Thirty-Five Thousand Dollars ($35,000) for each additional Restaurant to be established under the Development Schedule is due and shall be paid at the time the Franchise Agreement is executed for each Restaurant according to the Development Schedule (the "Remaining Franchise Fee").

### 3.2 Development Fee is Nonrefundable

Subject to Section 3.1 above, the Development Fee will be deemed fully earned when received by Franchisor and will be non-refundable in consideration of administrative and other expenses incurred by Franchisor and for the development opportunities lost or deferred as a result of the rights granted to Developer herein.

### 3.3 Franchisor's Unilateral Right to Reject Area Developer

Subject to applicable law, we will have the absolute right, but not the obligation, to reject or disapprove you (as our Developer) and to terminate this Agreement, at any time, without providing you any notice to cure, if we determine that you have made one or more material misrepresentations or omissions to us with respect to any required financial, personal or other information, upon which we have relied. In the event that you have committed such an act, nothing is deemed to diminish any of our rights or remedies in connection with, or under, any franchise agreement that you (or your affiliate(s)) have entered into with us. Further, if you have committed such an act, we (and our affiliates) may retain any amounts and any fees that have been paid to us, including without limitation, Development Fees, Initial Franchise Fees (and which have not been credited to you) under this Agreement or any Franchise Agreement or other agreement made with us or our affiliates. Finally, in the event that you have committed such an act, you shall return and pay to us any amounts that we have provided to you in the form of credits or refunds. We will notify you, in writing, if we reject you as a Developer and terminate this Agreement pursuant to this Section 2.4.

## ARTICLE IV: DEVELOPMENT PROCEDURES FOR EXERCISING DEVELOPMENT RIGHTS

### 4.1 Site Location

Developer shall assume all cost, liability, expense and responsibility for locating, obtaining and developing proposed sites for the Restaurants to be developed within the Development Area. Upon the location of a prospective site, Developer shall, before signing any lease or binding agreement, submit to Franchisor for its consideration and acceptance, a site package, in the form

specified by Franchisor, setting forth, among other things: (i) a description of the site; (ii) terms of the lease or purchase; (iii) a market feasibility study for the site; and (iv) such other information and materials as Franchisor may reasonably require. Developer must provide Franchisor's designated form of lease rider and collateral assignment to the landlord at the letter of intent stage and ensure that it is included in the final lease agreement (unless otherwise designated by Franchisor in writing). Franchisor, together with Ford, shall have fifteen (15) days after receipt of Developer's site package to, in Franchisor's sole discretion, to either grant its acceptance of the site or to reject the site. If Franchisor fails to approve or disapprove before the expiration of this fifteen (15) day period, it shall be deemed disapproved. Any rejection will set forth Franchisor's reasons for the rejection. Franchisor will have the right to include its form of lease rider to any lease and/or sublease. If the site is accepted, Developer acknowledges and agrees that Franchisor's acceptance of a proposed site is neither a representation by Franchisor that the site will profitable or successful nor deemed to be or construed as a warranty or guarantee, express or implied, as to the potential volume, profits or success of the Restaurant, such acceptance merely signifies that the site meets Franchisor's site criteria for the development and operation of a Ford's Garage Restaurant. Developer shall not enter into any binding lease or other agreements until receiving Franchisor's acceptance of the site.

**4.2 Exercise of Development Rights**

The Franchise Agreement for the first Restaurant to be developed hereunder has been executed contemporaneously with this Agreement. Following Franchisor's written acceptance of Developer's proposed site (the "Approved Location") for each additional Restaurant to be developed under this Agreement, Franchisor will provide Developer with a copy of its then-current FDD (if required by applicable law), and execution copies of Franchisor's then-current Franchise Agreement together with various ancillary agreements (collectively, the "Franchise Documents"). In each instance, upon receipt of the FDD, Developer shall immediately return to Franchisor an executed copy of the Item 23 Receipt to the FDD. Within ten (10) days after the passage of any applicable statutory disclosure period, Developer shall exercise the applicable Development Right granted herein by executing the Franchise Documents for the Approved Location and for each subsequent Approved Location and returning same to Franchisor for its execution.

The Franchise Agreement for each additional Development Right exercised hereunder shall be the then-current form of Franchise Agreement being offered generally by Franchisor, except that the Protected Territory/DMA "Designated Marketing Area (a contiguous geographic area located within the Development Area) will be described in the Business Terms Schedule attached as Attachment 2 to the Franchise Agreement. In the event that Developer does not properly execute and deliver the Franchise Agreement and other Franchise Documents within ten (10) days following the expiration of any applicable statutory disclosure period, or fails to pay the remaining Franchise Fee, Franchisor's acceptance of the site shall be void and Developer shall be deemed in material default of its obligations under this Agreement and will have no rights with respect to said Approved Location.

**4.3 Developer's Ownership in Franchisee**

Developer (or an entity in which Developer has at least a fifty-one (51%) percent ownership interest) shall execute each Franchise Agreement for each Restaurant to be developed and opened

pursuant to said Franchise Agreement. In no event shall Developer relinquish control over each entity operating each Restaurant. If Developer utilizes an operating entity (Affiliate) to enter into the Franchise Agreements for the Approved Locations for each Restaurant that is required to be developed under this Agreement, then each of the principals of Developer's Affiliate shall execute Franchisor's then-current form of Guaranty and Assumption of Obligations.

Attachment 3 to this Agreement will at all times completely and accurately identify all of Developers owners and their beneficial ownership interests ("Owner(s)"). Developer and Developer's Owners must sign and deliver to Franchisor such revised Owners Form (Attachment 3) as may be necessary to reflect any permitted changes in the information contained therein, within five (5) business days following the occurrence thereof, and to furnish such other information about Developer's entity or formation as Franchisor may request.

## ARTICLE V: DEVELOPMENT SCHEDULE

### 5.1 Development Schedule.

Developer agrees to exercise each of the Development Rights granted hereunder in the manner specified herein, and to satisfy the Development Schedule, as set forth below and attached hereto as Attachment 1, in a timely manner. Developer agrees to diligently pursue the opening of each Franchised Location in accordance with this Agreement and the Franchise Agreement.

## ARTICLE VI: DEVELOPMENT RIGHTS AND OBLIGATIONS

### 6.1 Developer's Rights and Obligations.

a) If Developer is in full compliance with all the terms and conditions of this Agreement, including without limitation Developer's development obligations described in Section 5.1, and Developer is in full compliance with all of Developer's obligations under each franchise agreement entered into pursuant to this Agreement, then during the term of this Agreement neither Franchisor nor any of Franchisor's affiliates will develop or operate or grant others the right to develop or operate Restaurants within Developer's Development Area, other than the franchises that are granted to Developer pursuant to this Agreement and except as otherwise expressly provided in this Agreement. Once a Restaurant has been established in the Development Area, Developer's protected territory rights with respect to that particular Restaurant will be defined in the applicable Franchise Agreement.

b) If, during the term of this Agreement, any of the Restaurants permanently close for any reason after having been opened, and as a result of such closure Developer falls below the development quota applicable at the time of closure pursuant to the Development Schedule, Developer will have nine (9) months from the closing date in which to open a substitute Restaurant at an Approved Location within the Development Area in its place. Such substitute Restaurant shall not decrease the number of Restaurant to be opened pursuant to the Development Schedule.

c) If, during the term of this Agreement, Developer wishes to relocate any Restaurant for any other reason, the new site for the Restaurant must be approved by Franchisor,

pursuant to the relocation provisions of the Franchise Agreement.

d) This Agreement does not give Developer the right to either sub-franchise or license or authorize in any way, others to operate any Ford's Garage Restaurant. Only Developer (or an entity controlled by Developer) may open and operate Restaurants pursuant to this Agreement and only under Franchise Agreements with Franchisor.

Notwithstanding the foregoing, Developer may have other investors involved in the ownership of an individual Restaurant as long as Developer advises Franchisor of those investors (Owners) as provided in Section 4.3 above and provided that Developer maintains majority ownership and voting control of the Franchisee for said Restaurant, including control of any entity which may be the Franchisee for said Restaurant, throughout the term of the Franchise Agreement. Each such investor (Owner) with respect to each Restaurant must execute the form of Guaranty and Assumption of Obligations which is attached to the Franchise Agreement as Attachment 10.

e) If, during the term of this Agreement, Developer defaults for failure to adhere to the Development Schedule, and this Agreement is terminated pursuant the provisions hereof, Franchisor, in its sole discretion, will provide a Protected Territory/DMA for those Restaurants that Developer has already opened and is operating, if any.

**6.2 Franchisor's Rights.**

a) Notwithstanding the Development Rights granted to Developer by Franchisor, Franchisor reserves all rights not specifically granted to Developer in this Agreement. Among other things, this Agreement does not limit Franchisor's right or the right of any of Franchisor's Affiliates to use or license the System or to engage in or license any business activity, including, without limitation:

(i) the operation or franchising of Ford's Garage Restaurants under the Marks at any location outside the Development Area, and/or under any other trade name, trademark or service mark now or hereafter owned by or licensed to Franchisor or Franchisor's Affiliates at any location inside or outside the Development Area, other than with respect to an "automobile themed" restaurant whose primary menu item is the sale of hamburgers;

(ii) the right to produce, offer and sell and to grant others the right to produce, offer and sell the products offered at Restaurants and any other goods displaying the Marks or other trade and service marks through alternative distribution channels, as described below, both within and outside the Development Area, and under any terms and conditions Franchisor deems appropriate. (As used in this Agreement, the term "alternative distribution channels" includes, but is not limited to, the Internet, catalog sales, grocery stores, club stores, other retail outlets, telemarketing or other direct marketing sales.)

(iii) the right to be acquired (regardless of the form of transaction) by any business, even if the other business operates, franchises or licenses

Competitive Businesses within the Development Area;

(iv) the right to operate Ford's Garage Restaurants in various Non-Traditional Sites, whether such locations are located within or outside of the Development Area, except that if a Non-Traditional Site is available within the Development Area, Franchisor will, if permitted by the third-party Non-Traditional Site owner or licensor, give Developer the option to purchase the franchise and develop a Restaurant at the Non-Traditional Site in accordance with the terms and conditions of the Franchise Agreement. Developer shall have thirty (30) days after Franchisor notifies Developer that the Non-Traditional Site is available to accept this right of first refusal and to execute the Franchisor's then-current form of Franchise Agreement. (As used in this Agreement, the term "Non-Traditional Sites" shall include, without limitation, sports or entertainment venues or stadiums, shopping malls, airports, hospitals, military bases, hotels, high school and college campuses, train stations, travel plazas, parks, government buildings and establishments, cafeterias, snack bars, trucks and casinos, whether currently existing or constructed or established subsequent to the date hereof.)

(v) the right to sell Ford's Garage products and services to national/regional and institutional accounts, wherever situated;

(vi) the right to purchase or otherwise acquire the assets or controlling ownership of one (1) or more businesses identical or similar to the Franchised Business some or all of which may be located anywhere, including within the Development Area. If Franchisor purchases or acquires such businesses within the Development Area that are not franchised or licensed, Franchisor may, in its sole discretion: (a) offer to sell any such businesses to Developer or to any third party at the business's fair market value to be operated as a Franchised Business; or (b) offer Developer the opportunity to operate such business(s) in partnership with Franchisor (or any Affiliate) under the business(s) existing trade name or a different trade name;

(vii) Upon the termination or expiration of this Agreement, we and our Affiliates shall have the right to develop and operate, and to grant to others development rights and franchises to develop and operate, Restaurants within the Exclusive Area subject only to the territorial rights granted to you with respect to Restaurants operated by you pursuant to the Franchise Agreements.

(viii) Franchisor or any of Franchisor's Affiliates can acquire an ownership interest in or assets of other entities operating gourmet restaurants or bars under a different mark, located in the Development Area and operate them under a different brand.

b) Upon the expiration of this Agreement, Franchisor or any of Franchisor's Affiliates, have the right, in Franchisor's sole discretion, to develop and operate additional Ford's Garage Restaurant in the Development Area based on an increase in population or such other factors that Franchisor deems appropriate. If Franchisor determines that the development of such additional Restaurants are warranted, Developer will have the right to "opt in," within thirty (30) days, to develop such additional Restaurants in the Development Area (the "Additional Restaurants"). Under such circumstances, the Development Fee shall be equal to the then-current Franchise Fee multiplied by the number of Additional Restaurants that are to be opened. If Developer fails to timely exercise its right to "opt in" with respect to the development of the Additional Restaurants within the Development Area, Franchisor will provide a Protected Territory/DMA for those Restaurants that Developer has already opened pursuant to the Development Schedule, if any, and Franchisor will have the right to continue to develop Additional Restaurants in the Development Area.

c) Developer acknowledges that Franchisor's rights to use and/or license the System pre-date this Agreement and are not limited or changed by the terms of this Agreement. Developer agrees that by acknowledging those rights, the parties do not intend to make Franchisor's exercise of such rights subject to rules applicable to contractual performance or the exercise of contractual discretion under this Agreement.

## ARTICLE VII: TERM; RENEWAL RIGHTS

### 7.1 Term.

The "Term" of this Agreement will commence on the Effective Date and will expire on the earlier to occur of: (a) the date on which Developer opens the last Restaurant to be opened pursuant to the Development Schedule; or (b) the opening deadline for the last Restaurant Developer is obligated to open under this Agreement, as designated in the Development Schedule.

**7.2 No Renewal Rights.** There is no renewal right under this Agreement.

## ARTICLE VIII: FRANCHISOR'S OBLIGATIONS

Franchisor shall, at its expense, provide the following services:

**8.1** Assist Developer in defining the Development Area and assigning such agreed upon Development Area to Developer;

**8.2** Review Developer's proposed site selection(s) to ensure that such proposed site(s) conform to Franchisor's then-current site selection criteria and standards;

**8.3** Provide Developer with Franchisor's standard specifications and layouts for the interior and exterior design, improvements, equipment, furnishings, décor and signs identified with the Restaurants as Franchisor makes available to its multi-unit developers and franchisees from time to time.

**8.4** Upon Developer's request, review Developer's final build-out plans and specifications to ensure that such plans and specifications conform to the construction standards

and specifications of the System.

**8.5** Provide such other resources and assistance as Franchisor may hereafter develop and offer to Franchisor's other multi-unit developers.

## ARTICLE IX: USE OF MARKS

### 9.1 No Right to Use Marks

Pursuant to Section 2.5 herein, Developer agrees that this Agreement does not grant Developer the right to use any of the Marks or the System and that such right can only be granted under a Franchise Agreement. Developer acknowledges that all right, title and interest to the System and the Marks are and shall remain vested solely in Franchisor and/or Ford (as the case may be), and Developer disclaims any right or interest in the Marks or the goodwill associated with, or derived from, the Marks.

### 9.2 Notification of Infringement of Marks

Developer agrees not to do anything, which could adversely affect the Marks, and to immediately notify Franchisor of any infringement or imitations and any challenges to Franchisor's and/or Ford's rights to the Marks. Franchisor and/or Ford have the sole and absolute right to determine whether they will commence or defend any litigation involving the Marks and/or the System, and the cost and expense of all litigation incurred by Franchisor or Ford (as the case may be), including attorneys' fees, specifically relating to the Marks or the System (other than with respect to litigation/arbitration between Franchisor and Developer) will be paid by Franchisor or Ford (as the case may be).

## ARTICLE X: CONFIDENTIAL INFORMATION

### 10.1 Confidential Information

Developer acknowledges that certain information relating to the development and operation of the Restaurants including, without limitation, the standards, methods, procedures and specifications of the System, including the contents of the Operations Manual, is derived from information disclosed to Developer by Franchisor and that all such information is of a proprietary and confidential nature and our trade secrets ("Confidential Information"). Developer and each of Developer's Owners, officers, directors, members, partners, managers, employees and agents, must maintain the absolute confidentiality of all such Confidential Information both during the term of this Agreement and after the termination or expiration of this Agreement and can use such Confidential Information only to the extent necessary to allow Developer to develop and operate the Restaurants, and may not disclose any such Confidential Information for any reason whatsoever, except as provided herein. Developer may disclose the Confidential Information to Developer's Owners, officers, directors, members, partners, managers, employees and agents only to the extent necessary for the development of the Restaurants in accordance with this Agreement. You, and each of your owners, must sign a non-disclosure agreement in the form that we prescribe in the Franchise Agreement. Developer cannot use any such Confidential Information, directly or indirectly, in any

other business or in any other manner or obtain any benefit therefrom not specifically approved in writing by Franchisor during the term of this Agreement or afterwards. At our request, you must require your managers and your employees who will have access to our Confidential Information (and any other person or entity to whom you wish to disclose any Confidential Information) to sign non-disclosure agreements with you which provide that they will maintain the confidentiality of the disclosed information. These agreements must be in a form satisfactory to us and must identify us as a third-party beneficiary with the independent right to enforce the agreements. At our request, a copy of these signed agreements must be provided to us.

### 10.2 Use of Confidential Information

a) Developer will not acquire any interest in the Confidential Information other than the right to use the Confidential Information in connection with the development of the Restaurants during the term of this Agreement, and acknowledges that Developer's use or duplication of the Confidential Information in any other business or capacity will constitute an unfair method of competition with Franchisor, Franchisor's affiliates and Franchisor's other multi-unit developers and franchisees.

b) Developer acknowledges that Franchisor is disclosing the Confidential Information to Developer solely on the condition that Developer agrees, and Developer hereby agrees, that any Confidential Information received from Franchisor:

(i) shall only be used by Developer for the purposes of performing Developer's obligations under this Agreement;

(ii) will not be used by Developer in any other business, manner or capacity;

(iii) will have its absolute confidentiality maintained by Developer both during and after the Term of this Agreement;

(iv) will not be copied by Developer without our written authorization; and

(v) will not be disclosed by Developer to any third party without our prior written consent.

c) Developer acknowledges that it must use reasonable care to prevent the disclosure of the Confidential Information to any third party, and further shall limit the dissemination of the Confidential Information within Developer's own company to those individuals whose duties justify the need to know the Confidential Information, and then only provided that there is a clear understanding by such individuals of their obligation to maintain the confidential status of the Confidential Information and to restrict its use solely to the purposes specified herein. Developer must cause each person receiving the Confidential Information to sign a copy of a confidentiality agreement if requested by Franchisor or as provided in the Franchise Agreement.

d) Developer acknowledges that no other right or license to use the

Confidential Information is granted by this Agreement, and Developer agrees that the amount of the Confidential Information to be disclosed to Developer is completely within Franchisor's discretion.

### 10.3 Non-Disparagement.

You agree not to (and to use your best efforts to cause your current and former shareholders, members, officers, directors, principals, agents, partners, employees, representatives, attorneys, spouses, affiliates, successors and assigns not to) disparage or otherwise speak or write negatively, directly or indirectly, of us, our affiliates, any of our affiliates' directors, officers, employees, representatives or affiliates, current or former franchisees or developers of us or our affiliates, the Ford's Garage brand, the Franchise System, any Ford's Garage Restaurant, any business using the Marks, any other brand or service marked or trademarked concept of us or our affiliates, or which would subject the Ford's Garage brand or such other brands to ridicule, scandal, reproach, scorn, or indignity, or which would negatively impact the goodwill of the Marks or the Franchise System. The obligations of this provision shall survive any expiration or termination of this Agreement.

## ARTICLE XI: NON-COMPETITION

### 11.1 Non-Competition During the Term

You (each individual who is listed as Developer), and if you are an entity, your owners, officers, directors, as well as any personal guarantor who guarantees your obligations under this Agreement expressly agree that you shall not, during the term of this Agreement or any subsequent renewal term, directly or indirectly for you or through, on behalf of or in conjunction with any person(s) (including a spouse, family member, business associate, etc.), partnership or corporation:

a) acquire, operate, finance, invest in, control (directly or indirectly, whether of record, beneficially or otherwise) or own any beneficial interest in, or perform services as a director, officer, manager, employee, consultant, representative or agent for or in connection with: (i) any "automobile themed" restaurant or bar, wherever located; or (ii) any other Competitive Business, i.e., any other restaurant where the sale of hamburgers constitutes twenty five (25%) percent or more of the restaurant's food sales (i.e., excluding liquor or other beverages as well as all non-food items such as merchandise), within the Development Area or within ten (10) miles from all of the borders of the Development Area or within twenty five (25) miles of any other Ford's Garage Restaurant (whether company owned, franchised or otherwise established and operated); or

b) divert, or attempt to divert, any actual or potential business or customers of Developer's (or Developer's Affiliates') Restaurant or Franchisor, Franchisor's affiliates, area developers or franchisees to any competitor, by direct or indirect inducement or otherwise or do or perform, directly or indirectly, injurious or prejudicial to the goodwill associated with the Marks and the System.

At our request, you must also require your manager(s) to enter a non-competition agreement with you which will restrict said manager(s) from having any direct or indirect involvement (as provided above) in connection with, any Competing Business (as defined above) wherever located, during the term of this Agreement and any renewal or extension thereof. You shall be responsible for ensuring that the terms and conditions relating to these restrictive covenants are reasonable and enforceable under applicable state law where you (or your affiliates) operate your Ford's Garage Restaurants. Any such agreement must be in a form satisfactory to us and must identify us as a third-party beneficiary with the independent right to enforce the agreements. At our request, a copy of these signed agreements must be provided to us.

### 11.2 Post Term Covenant Not to Compete

You expressly agree that, upon the assignment, expiration or termination of this Agreement, you (each individual signing this Agreement) and if you are an entity, your owners, officers, directors, as well as any personal guarantor who guarantees your obligations under this Agreement, will not, for a period of two (2) years beginning on the later of: (i) the effective date of such assignment, expiration or termination, as the case may be; (ii) the effective date of the assignment, expiration or termination of the last Restaurant Franchise Agreement which you or any entity owned, in whole or in part, or within which you were otherwise affiliated (the "Restrictive Period"), for you or through, on behalf of or in conjunction with any person(s) (including a spouse, family member, business associate, etc.), partnership or corporation, directly or indirectly, was a party:

a) acquire, operate, finance, invest in, control or own any beneficial interest in, or perform services as a director, officer, manager, employee, consultant, representative or agent for any or in connection with: (i) any "automobile themed" restaurant or bar, wherever located; or (ii) any other Competitive Business, i.e., any other restaurant or bar where the sale of hamburgers constitutes twenty five (25%) percent or more of the restaurant's food sales (i.e., excluding liquor or other beverages as well as all non-food items such as merchandise), within twenty five (25) miles of: (1) the location where any Ford's Garage Restaurant developed under this Agreement was operating at the time that this Agreement expired or was terminated; or (2) any Ford's Garage Restaurant (whether company owned, franchised or otherwise established and operated) (collectively, the "Restricted Area"); or

b) divert, or attempt to divert, any business or customer of any Ford's Garage® Restaurant or Franchisor to any competitor, by direct or indirect inducement or otherwise or do or perform, directly or indirectly, any act which is or may be injurious or prejudicial to the goodwill associated with the Marks and the System.

Developer acknowledges and agrees that these restrictions shall also apply after the consummation of any transfers, as provided in Section 13.5 below.

At our request, you must also require your Area Manager(s) to enter a non-competition agreement with you which will restrict said Area Manager(s) having any direct or indirect involvement (as referenced above) in connection with any Competing Business (as defined above) during a period to be defined, after this Agreement and any renewal or extension thereof, expires is transferred (assigned) or is terminated. You shall be responsible for ensuring that the terms and conditions relating to these restrictive covenants are reasonable and enforceable under applicable state law where you operate your Ford's Garage Restaurant. Any such agreement must be in a form satisfactory to us and must identify us as a third-party beneficiary with the independent right to enforce the agreements. At our request, a copy of these signed agreements must be provided to us.

### 11.3 Reasonableness of Restrictions

The parties acknowledge and agree that the time and geographical limitations set forth in this Section 11.3 are reasonable do not impose a greater restraint than is necessary to protect Franchisor's goodwill or other business interests, in the event that this Agreement expires or is terminated for any reason. The parties agree that each of the covenants herein shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which we are a party, then Developer shall submit to the reduction of any such activity, time period or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

### 11.4 Injunctive Relief

Developer agrees that the provisions of this Article XI are necessary to protect Franchisor's and Franchisor's affiliates' legitimate business interests, including, without limitation, the protection of the Proprietary Marks, System, brand and Confidential Information; the assurance of Franchisor's ability to maintain and regain the goodwill of the brand; the assurance that franchisees can depend on the enforcement of the covenants not to compete contained in its franchise agreements; and Franchisor's ability to award franchises. Developer agrees that monetary damages alone cannot adequately compensate Franchisor if Developer violates this Article XI and that injunctive relief is essential for the protection of Franchisor and its affiliates. Developer and Developer's Owners accordingly consent to the issuance of an injunction prohibiting any conduct by Developer and Developer's Owners in violation of the terms of this Article. Developer and Developer's Owners agree to pay all court costs and reasonable attorneys' fees incurred by Franchisor in connection with the enforcement of this Article XI, including payment of all costs and expenses for obtaining specific performance of, or an injunction against violation of, the requirements of such Article.

## ARTICLE XII: <u>TRANSFER/ASSIGNMENT</u>

### 12.1 Transfer by Franchisor

This Agreement may be unilaterally transferred or assigned by Franchisor to a person or

entity without the approval of Developer and will inure to the benefit of the successors and assigns of the Franchisor, provided that (1) Franchisor reasonably believes that the assignee is financially responsible; (2) Franchisor reasonably believes that the assignee is capable of performing Franchisor's obligations under this Agreement; and (3) the assignee expressly agrees in writing to assume Franchisor's obligations under this Agreement. Franchisor will provide Developer with written notice after the transfer or assignment has been completed, and the assignee will be required to fully perform all obligations of the Franchisor under this Agreement. Franchisor may change Franchisor's ownership or form without restriction.

### 12.2 Transfer by Developer

Developer understands and acknowledges that the rights and duties this Agreement creates are personal to Developer (or, if Developer is a business entity, to Developer's Owners) and that Franchisor has granted Developer these rights in reliance upon Franchisor's perceptions of Developer's (or Developer's Owners') individual or collective character, skill, aptitude, attitude, business ability and financial capacity. Accordingly, except as provided below, neither: (i) this Agreement (or any interest in this Agreement); (ii) any Restaurant (or any right to receive all or a portion of the profits or losses or any capital appreciation relating to any of Developer's Restaurants); (iii) all or substantially all of the Restaurants' assets; nor (iv) any ownership interest in Developer (if Developer is a business entity) or any of Developer's direct or indirect Owners (if they are business entities), may be transferred or assigned (herein collectively referred to as a "Transfer" or "Assignment") without Franchisor's prior written approval, which will not be unreasonably delayed or withheld; except that a Transfer may not be made to one of Franchisor's competitors or to a person operating a food service business under a license or franchise from one of Franchisor's competitors. Any actual, attempted or purported Transfer occurring without Franchisor's prior written consent shall constitute a default of this Agreement and shall be null and void.

In this Agreement, the term "Transfer" or "Assignment" includes any voluntary, involuntary, direct or indirect assignment, sale, gift or other disposition and includes the following events:

a) transfer of record or beneficial ownership of capital stock, a partnership or membership interest, or any other ownership interest or right (directly or indirectly) to receive all or a portion of Developer's profits or losses or any capital appreciation relating to Developer;

b) a merger, consolidation or exchange of ownership interests, or issuance of additional ownership interests or securities representing or potentially representing ownership interests, or a redemption of ownership interests;

c) any sale or exchange of voting interests or securities convertible to voting interests, or any management agreement or other agreement granting the right (directly or indirectly) to exercise or control the exercise of the voting rights of Developer or to control Developer's operations or affairs;

d) a transfer in a divorce, insolvency or entity dissolution proceeding, or

otherwise by operation of law;

e) if Developer or one of Developer's Owners dies, a transfer by will, declaration of or transfer in trust, or under the laws of intestate succession; or

f) the grant of a mortgage, charge, pledge, collateral assignment, lien or security interest in any interest in this Agreement, any of Developer's assets, or an ownership interest in Developer or any of Developer's direct or indirect owners, or the foreclosure upon or attachment or seizure of any of Developer's assets.

**12.3 Right of First Purchase**

a) In the event that Developer or one or more of Developer's Owners proposes to make a Transfer or Assignment to any individual or entity, other than to any partner, co-shareholder, member of Developer, or corporation, partnership or other entity wholly owned by Developer or Developer's Owners, or, if Developer is an individual, to any member of the immediate family thereof or Trusts for the benefit of any such family member (all of which will be free of any of the rights provided for herein), then Developer shall first notify Franchisor of Developer's desire to make such a Transfer, and Developer shall inform Franchisor of the price and terms (the "Offer") upon which Developer is willing to sell, transfer or assign such Development Rights or interest (cumulatively, "Interest").

b) Franchisor shall have ninety (90) days within which to evaluate the Offer and to exercise Franchisor's Right of First Purchase by written notice to ("Notice to Purchase") Franchisor. If Franchisor exercises its Right of First Purchase, the closing with respect to said transfer shall occur within twenty (20) days of the date of receipt of the Notice to Purchase at Franchisor's offices or at such other place as may be mutually agreed upon by Franchisor and Developer. If Franchisor fails to exercise its Right of First Purchase, as aforesaid, or if Franchisor fails to close within the aforesaid time period, then you agree to market such transfer through Franchisor for six (6) months. If by the expiration of said six (6) month period, Franchisor has not produced a bona fide third party buyer whom both Franchisor and Ford have approved, then Developer will be free to offer the Interest to third parties on terms and conditions no less favorable than those offered to Franchisor and otherwise subject to the terms of this Agreement. Notwithstanding the foregoing, no transfer of any Interest governed by this Section shall be made unless: (i) the transferee meets Franchisor's and Ford's then-current standards for Franchisor's multi-unit developers, fairly and consistently applied, in good faith; and (ii) transfer is in compliance with Section 12.4 below.

c) In the event that Developer wishes to sell the Interest upon price or terms less favorable than those set forth in the Offer, then Developer will notify Franchisor in writing of the new price and terms ("Reduced Offer") that

Developer would be willing to accept. In such event, the conditions set forth in Section 12.3(b) above, will apply except that Franchisor will have twenty (20) days within which to evaluate the Reduced Offer and to exercise its Right of First Purchase.

d) If Developer does not complete such sale, transfer or assignment within one (1) year from the date of the expiration of the thirty (30) day period referred to in Section 12.3(b) above, then Developer must again offer to Franchisor any Interest that Developer wishes to offer (subject to the exceptions provided for herein) before Developer shall have the right to offer such a transfer and Franchisor will have the Right of First Purchase referred to above on the same terms and conditions and subject to the same time requirements provided for in this Section.

**12.4 Conditions for Approval of Transfer.**

If Developer is in full compliance with this Agreement and Franchisor has elected not to exercise its Right of First Purchase pursuant to Section 12.3 above, then, subject to the other provisions of this Section 12.4, Franchisor will approve a transfer or assignment that meets all the requirements in this Section 12.4. In no event will Franchisor be willing to provide its consent to any Transfer, unless:

a) Franchisor determines, in Franchisor's sole judgment, that the transferee (and, if applicable, its direct and indirect Owners) has sufficient business experience,
aptitude and financial resources and responsibility, and is otherwise acceptable to Franchisor based upon Franchisor's standards for new area developers used by Franchisor at such time;

b) Developer is not in default in the performance or observance of any of Developer's obligations under this Agreement (including, without limitation, making all payments in full when due), and any other agreement between Developer and Franchisor or between Developer or one of Franchisor's affiliates, relating to the development or operation of Restaurant(s) or any other agreement between Developer and Franchisor or one of Franchisor's affiliates;

c) Developer has developed not less than fifty (50%) percent of the Restaurants to be developed under this Agreement;

d) Developer (and Developer's Owners) has paid all amounts owed to Franchisor and Franchisor's affiliates, and all Developer's trade creditors, and is not in default or breach of any provision of this Agreement (including the Operations Manual) or any other agreement with Franchisor or Franchisor's affiliates;

e) neither the transferee nor any of its Owners or affiliates operates, has an ownership interest in, or performs services for a business that is competitive

with any Ford's Garage franchised businesses;

f) Developer or the transferee pays Franchisor Fifteen Thousand ($15,000.00) Dollars for each Restaurant that remains to be developed under this Agreement ("Transfer Fee");

g) Developer (and Developer's transferring Owners) sign a General Release, in a form satisfactory to Franchisor, of any and all claims against Franchisor and Franchisor's affiliates and Franchisor's and their respective owners, officers, directors, employees, representatives, agents, successors and assigns; and

h) the proposed transferee assumes all of Developer's rights and obligations under this Agreement.

If the proposed transfer is to or among Developer's Owners or immediate family members, then neither the execution of a General Release, as provided above, nor the payment of a Transfer Fee shall apply.

### 12.5 Transfer of this Agreement by Individual Developer to a Business Entity

If Developer is an individual, Developer may, simultaneously with or at any time after execution of this Agreement, after obtaining Franchisor's written consent and provided all of Developer's obligations to Franchisor have been satisfied, transfer and assign all of Developer's rights and obligations hereunder to a corporation, limited liability company or other entity, provided Developer and the proposed transferee enter into Franchisor's designated form of assignment and assumption agreement and provided further that Developer:

a) is and throughout the term of this Agreement (and any renewal thereof): (i) remains a principal executive officer of the corporation, limited liability company or other entity; (ii) remains the beneficial and registered owner of greater than fifty (50%) percent of the issued and outstanding voting and equity rights and interests in such corporation, limited liability company or other entity (and any rights or options convertible into such voting or equity rights or interests); and (iii) maintains the controlling and decision making right and power with respect to the entity, and further provided that Developer:

b) causes the corporation and its directors and shareholders or, if a limited liability company or other entity, its owners or members, to:

(i) acknowledge this Agreement and to agree in writing to be bound by the provisions of this Agreement;

(ii) execute and cause the corporation and its directors and shareholders or, if a limited liability company or other entity, its owners or members, to execute a Guaranty and Assumption of Obligations with respect to this Agreement, or any other agreement as may be specified by Franchisor relating to the assignment to and the assumption by the

corporation, limited liability company or other entity, of any rights and obligations under this Agreement;

(iii) cause the corporation in its articles of incorporation or, if a limited liability company or other entity in its operating agreement, to provide in effect that its object or business is confined exclusively to the development and operation of Franchised Businesses as provided in this Agreement;

(iv) cause the corporation, limited liability company or other entity to inform Franchisor and to keep Franchisor informed as to the names and addresses of the then current directors and shareholders or members of, and those persons who have a financial interest in, the corporation, limited liability company or other entity from time to time; and

(v) cause the corporation, limited liability company or other entity, to restrict the issue of, and its directors and shareholders to restrict the transfer of, shares of the corporation or ownership or membership interests in a limited liability company or other entity, so that Developer continuously owns greater than fifty per cent (50%) of the issued and outstanding voting and equity rights and interests in the corporation, limited liability company or other entity (and any rights or options convertible into such voting or equity rights or interests) and to have such restrictions noted on all share certificates of the corporation or the owner's or members' ownership certificates. The articles of organization and governing documents (including by-laws, operating agreement or partnership agreement) of the entity or assignee entity shall reflect that the issuance and transfer of equity is restricted, and all certificates shall bear the following legend, which shall be printed legibly and conspicuously on each certificate:

**"The transfer of this certificate is subject to the terms and conditions of a Multi-Unit Development Agreement with Vintage Hospitality Group, LLC dated_____. Reference is made to said Multi-Unit Development Agreement and related Franchise Agreements and to restrictive provisions of the governing documents of this entity."**

c) Remains personally liable under this Agreement as if the Transfer to the entity did not occur and execute such documents in respect of the transfer and assignment as Franchisor may direct, including the Owner's Personal Guaranty; and

d) Pays the Transfer Fee, if, additional members are added as Owners of Developer's operating entity. Notwithstanding the foregoing, Developer (if an individual) shall not pay a Transfer Fee to transfer of his/her/their rights under this Agreement, provided that the original individual signatories to this Agreement are the only owners of Developer's operating entity.

## 12.6 Death, Incapacitation or Disability

a) Upon Developer's death (if Developer is a natural person) or upon the death of any controlling owner who is a natural person and who has an interest in this Agreement or Developer (the "Deceased"), Franchisor shall consent to the transfer of all of the interest of Developer to Developer's spouse, heirs or relatives, by blood or marriage, or if this Agreement was originally executed by more than one party, then to the remaining party(ies) who originally executed this Agreement, whether such transfer is made by your Last Will and Testament or by operation of law, provided that the requirements of Section 12.4 hereof have been met. In the event that Developer's heirs do not obtain Franchisor's consent as prescribed herein, Developer's executor, administrator or other personal representative of the Deceased shall transfer such interest to a third party approved by Franchisor within eighteen (18) months from the date of the appointment of an executor, administrator or personal representative. If no personal representative is designated or appointed or no probate proceedings are instituted with respect to the estate of the Deceased, then the distributee of such interest must be approved by Franchisor. If the distributee is not approved by Franchisor, then the distributee shall transfer such interest to a third party approved by Franchisor within eighteen (18) months from the determination of the distributee.

b) Upon Developer's permanent disability (if Developer are a natural person) or upon the permanent disability of any controlling owner who is a natural person and who has an interest in this Agreement or Developer, Franchisor may, in its reasonable discretion, require such interest to be transferred to a third party in accordance with the conditions described in this Article XV within six (6) months from appointment of a representative for the disabled person. "Permanent disability" shall mean any physical, emotional or mental injury, illness or incapacity which would prevent a person from performing the obligations set forth in this Agreement for at least ninety (90) consecutive days and from which condition recovery within ninety (90) days from the date of determination of disability is unlikely. Permanent disability shall be determined by a licensed practicing physician agreed upon by the parties, or , if the parties cannot agree, three (3) physicians, one chosen by Developer and the other chosen by Franchisor with the third physician agreed upon between Franchisor's and Developer's respective physicians, upon examination of the person; or if the person refuses to submit to an examination, then such person automatically shall be deemed permanently disabled as of the date of such refusal for the purpose of this Section 12.6(b). The costs of any examination required by this Section shall be paid by Franchisor.

c) Upon the death or claim of permanent disability of Developer or any controlling owner, Developer or a representative of Developer must notify Franchisor of such death or claim of permanent disability within ten (10) days of its occurrence. Any transfer upon death or permanent disability shall be subject to the same terms and conditions as described in this Section for any

inter vivos transfer. If an interest is not transferred upon death or permanent disability as required in this Section, then such failure shall constitute a material event of default under this Agreement.

## ARTICLE XIII: TERMINATION AND EXPIRATION

### 13.1 Termination by Developer

If Developer is in full compliance with all of the terms of this Agreement and Franchisor materially breaches this Agreement and fails to commence reasonable efforts to cure such breach within ninety (90) days after receiving written notice identifying the claimed breach, Developer may elect to terminate this Agreement unless the breach cannot reasonably be cured within such ninety (90) days. If the breach cannot reasonably be cured in such ninety (90) day period, Developer may elect to terminate this Agreement only if Franchisor does not promptly undertake and continue efforts to cure such material breach within a reasonable period of time and furnish Developer reasonable proof of such efforts.

### 13.2 Termination by Franchisor with No Opportunity to Cure

Developer shall be deemed to be in material default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, without affording Developer any opportunity to cure the default, (except as otherwise stated below), effective immediately upon notice to Developer, if Developer:

(i) fails to meet the Development Schedule;

(ii) defaults in the performance of any obligation under any Franchise Agreement with Franchisor, provided such default results in the termination of the Franchise Agreement

(iii) makes, or have made, any material misrepresentation or omission to Franchisor in connection with Developer's obtaining this Multi-Unit Development Agreement, any site approval hereunder, or any Franchise Agreement;

(iv) is convicted of or pleads no contest to a felony or other crime or offense that is likely to adversely affect the reputation of Franchisor, Developer or the Franchised Business;

(v) discloses, duplicates or otherwise uses in an unauthorized manner any portion of the Operations Manual, Trade Secrets or any other Confidential Information;

(vi) surrenders or transfers control of the operation of the Franchised Business without Franchisor's approval; makes or attempts to make an unauthorized direct or indirect assignment of any Franchise or an ownership interest in Developer; or fails or refuses to assign any Franchise or the interest in

Developer of a deceased or disabled owner thereof as herein required;

(vii) is adjudicated as bankrupt, becomes insolvent, commits any affirmative act of insolvency, or files any action or petition of insolvency; if a receiver of its property or any part thereof is appointed by a court; if it makes a general assignment for the benefit of its creditors; if a final judgment remains unsatisfied of record for thirty (30) days or longer (unless *supersedeas* bond is filed); if execution is levied against Developer's business or property; if a suit to foreclose any lien or mortgage against its Approved Location or equipment is instituted against Developer and not dismissed within thirty (30) days or is not in the process of being dismissed;

(viii) makes an unauthorized use of any of the Marks or commits any other act which can reasonably be expected to impair the goodwill associated with any of the Marks;

(ix) ceases to operate all of the Restaurants opened pursuant to the terms of this Agreement:

(x) engages in any activity exclusively reserved to Franchisor;

(xi) Developer (or its owners) engage in any dishonest or unethical conduct which, in Franchisor's opinion, adversely affects the reputation of the System, other Ford's Garage multi-unit developers or franchisees or the goodwill associated with the Marks;

(xii) Developer (and Developer's owners) violate the in-term non-compete covenants under Article XI;

(xiii) Developer's assets, property or interests are "blocked" under any law, ordinance or regulation relating to terrorist activities or if Developer is otherwise in violation of any such law, ordinance or regulation, or any other law, ordinance or regulation applicable to the development of Developer's Restaurants;

(xiv) Developer fails to comply with any other provision of this Agreement and does not correct the failure within thirty (30) days after Franchisor delivers to Developer written notice of the failure.

### 13.3 Termination by Franchisor with Opportunity to Cure

Except as otherwise provided in Section 13.2, Franchisor has the right to terminate this Agreement for the following breaches and defaults by giving notice of such termination ("Notice of Default") stating the nature of the default. Notwithstanding the foregoing, Developer may avoid termination by curing such default (or, if Developer cannot reasonably cure such default within the applicable cure period, by providing proof acceptable to Franchisor that Developer has commenced taking the steps to cure such default or failure within the applicable cure period and

will diligently continue to make all reasonable efforts to cure such default) within the specified cure period, if Developer:

(i) fails to pay any amounts due to Franchisor within five (5) days of receiving Franchisor's Notice of Default;

(ii) begins construction of any Restaurant at any site unless all the conditions stated in Section III hereof have been met;

(iii) fails to obtain our prior written approval or consent, including but not limited to site approval or site plan approval, as expressly required by this Agreement;

(iv) defaults in the performance of any other obligation under this Agreement; and

(v) opens any Restaurant for business before a Franchise Agreement for such Restaurant has been fully executed and the initial franchise fee due to Franchisor has been paid.

**13.4 Termination for Failure to Meet Development Schedule.**

If Developer fails to meet Developer's development obligations under the Development Schedule, such action shall constitute a material default under this Agreement, upon which Franchisor, in its discretion, may by written notice to Developer therein:

a) terminate this Agreement and all rights granted hereunder without affording you any opportunity to cure the default;

b) reduce the number of Franchised Businesses to be developed;

c) reduce the size of the Development Area; or

d) terminate the Development Area exclusivity and make such rights nonexclusive.

If Franchisor elects to terminate this Agreement pursuant to this Section 13.4, Franchisor can resell the Development Area, but Developer shall maintain any Restaurant established pursuant to a Franchise Agreement, as long as Developer continues to comply with the terms of that Franchise Agreement. In such case, Franchisor shall assign to Developer (or Developer's affiliate(s)) a Protected Territory/DMA for each Restaurant developed in accordance with this Agreement prior to the date of termination.

**13.5 Termination Based Upon Cross-Default of Another Agreement.**

Developer will be deemed to be in default of this Agreement, and we may, at our option, terminate this Agreement, together with any other Franchise Agreement or any other agreement made between you (or any of your Affiliates) and Franchisor (or any of our Affiliates), and all of the rights granted therein, respectively, effective as of the time noted, if any Franchise Agreement or any other agreement made between you (or any of your Affiliates) and Franchisor (or any of

our Affiliates) is terminated by us (or by our Affiliate), or if the lease for the Approved Location has been terminated, if the underlying conduct, action or omission indicates dishonest or unethical conduct in our sole opinion, adversely affects the reputation of the System, other Ford's Garage multi-unit developers or franchisees or the goodwill associated with the Marks or Ford, or otherwise negatively reflects your or the Developer's suitability to be a developer or franchisee in the Ford's Garage System. By way of example only, and not meant to be an exhaustive list, examples of underlying conduct which will trigger our right to terminate this Agreement based upon a "cross-default" include: unauthorized use of the Marks or unauthorized disclosure of Confidential Information; making any material untrue statement, material misrepresentation or material omission to us, knowingly submitting a false report or financial statement to us; under-reporting of royalties or other amounts due to us; failure to pay Royalty fees, Merchandise Licensing fees or contributions to the Marketing Fund; being convicted of or pleading no contest to a felony or other crime or offense that is likely to adversely affect the reputation of Franchisor, Developer or the Franchised Business; being found to have engaged in sexual misconduct, harassment or bullying;

If Franchisor elects to terminate this Agreement pursuant to this Section 13.5, Franchisor shall have the right, but not the obligation, in accordance with Section 18.5 of the Franchise Agreement, to purchase the assets with respect to any Restaurant existing at the time. This includes Franchisor's right to offset from the amount that Franchisor would otherwise be payable, the amount of any damages which have been caused or suffered by Franchisor (or its Affiliates) or Ford. Franchisor expressly reserves its right to pursue any and all remedies that it (or its Affiliates) may have in the event that the damage caused or suffered is in excess of any amounts that would have otherwise been payable under Section 18.5 of the Franchise Agreement. Further, if Franchisor elects to terminate this Agreement pursuant to this Section 13.5, Franchisor shall have no obligation to pay or compensate Developer in any amount or to refund Developer any development fees that it previously paid to Franchisor.

### 13.6 Developer's Obligations on Termination or Expiration.

Upon termination or expiration of this Agreement (or the consummation of a Transfer or Assignment pursuant to Article XII), Developer acknowledges and agrees that Developer will:

a) immediately cease to select sites for the development of Restaurants;

b) have no right to establish or operate any Restaurant for which a Franchise Agreement has not been executed by Franchisor at the time of termination or expiration, except that with respect to expiration at the end of the last development year, if Developer has signed a lease by the expiration date, Developer may continue to open the Restaurant within one (1) year of the lease signing as provided in Section 5.1.1. Thereafter, Franchisor will be entitled to establish, and to franchise others to establish, Franchised Businesses in the Development Area (except as may be otherwise provided under any Franchise Agreement that has been executed between you or your Affiliates and us);

c) immediately cease to hold himself/herself/itself out in any way as

Franchisor's multi-unit developers or to do anything which would indicate a relationship between Developer and Franchisor; and

d) adhere to the restrictive covenants set forth in Articles X and XI herein.

### 13.7 Remedy Is Not Exclusive.

No right or remedy herein conferred upon or reserved to us is exclusive of any other right or remedy provided or permitted by law or equity.

## ARTICLE XIV: RELATIONSHIP OF PARTIES

### 14.1 Independent Status.

You are an independent legal entity and must make this fact clear in your dealings with suppliers, lessors, government agencies, employees, customers and others. You will rely on your own knowledge and judgment in making business decisions, subject only to the requirements of this Agreement and the Operations Manual. You may not expressly or implicitly hold yourself our as an employee, partner, shareholder, joint venturer or representative of ours, nor may you expressly or implicitly state or suggest that you have the right or the power to bind us or to incur any liability on our behalf. You may not use the Ford's Garage trade name as part of your corporate name, limited liability company name or limited partnership name. You will be solely responsible for paying all the operating costs of your development business, including all taxes.

### 14.2 Developer's Liability.

If two (2) or more individuals execute this Agreement as the Developer, the liability of each such individual hereunder shall be joint and several.

### 14.3 Non-Liability

We will not be obligated or liable for any injury or death of any person or damage to any property caused by your action, failure to act, negligence or willful conduct, nor for any other liability you incur.

### 14.4 Indemnification

To the fullest extent permitted by law, Developer shall, at Developer's sole cost and expense, hold harmless and indemnify Franchisor, any Affiliate, all holders of a legal or beneficial interest in Franchisor and all officers, directors, executives, managers, members, partners, owners, employees, agents, successors and assigns (collectively "Franchisor Indemnitees") from and against all losses, damages, fines, costs, expenses or liability (including reasonable attorneys' fees and all other costs of litigation) incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement thereof, which arises from or is based upon:

a) Developer's failure to pay when due any levies, taxes or assessments that Developer may be required by applicable law to pay;

b) Developer's ownership and operation of Developer's multi-unit development business; or

c) Developer's actions, failure to act, negligence or willful conduct.

d) Developer's violation, breach or asserted violation or breach of any federal, state or local law, regulation or rule;

e) Developer's breach of any representation, warranty, covenant, or provision of this Agreement or any other agreement between Developer and Franchisor (or an Franchisor's affiliate);

f) Developer's defamation of Franchisor or the System;

g) Developer's acts, errors or omissions committed or incurred in connection with Developer's multi-unit development business, including any negligent or intentional acts; or

h) Developer's infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Trade Secrets or other Confidential Information. The obligations of this Section shall expressly survive the termination of this Agreement.

### 14.5 Notification of Action or Claim

Developer shall give Franchisor immediate notice of any such action, suit, proceeding, claim, demand, inquiry or investigation that may give rise to a claim for indemnification by a Franchisor Indemnitee. Franchisor has the right (but not the obligation) to retain counsel of its own choosing in connection the defense and/or settlement of any such action, suit, proceeding, claim, demand, inquiry or investigation. Should Franchisor elect to retain counsel, Developer acknowledges and agrees that such an undertaking by Developer shall, in no way, diminish the obligation of Developer (and Developer's owners) to indemnify the Franchisor Indemnitees and to hold them harmless, and to be represented by counsel of Developer's own choosing with respect to any such action, suit, proceeding, claim, demand, inquiry or investigation in which Developer is personally named.

### 14.6 Franchisor's Right to Settle

In order to protect persons, property, Franchisor's reputation or the goodwill of others, Franchisor has the right to, at any time without notice, consent or agree to settlements or take such remedial or corrective actions as it deems expedient with respect to any action, suit, demand, claim, investigation or proceeding if, in Franchisor's sole judgment, there are grounds to believe:

a) any of the acts or circumstances listed in Section 14.4 above have occurred; or

b) any act, error, or omission as described in Section 14.4(g) may result directly or indirectly in damage, injury, or harm to the System, any person or any property.

### 14.7 Recovery from Third Parties

If Franchisor's exercise of its rights under this Section to settle or take corrective or remedial action, causes any of Developer's insurers to refuse to pay a third party claim, all cause of action and legal remedies Developer might have against such insurer shall automatically be assigned to Franchisor without the need for any further action on either party's part. Under no circumstances shall Franchisor be required or obligated to seek coverage from third parties or otherwise mitigate losses in order to maintain a claim against Developer. The failure to pursue such remedy or mitigate such loss shall in no way reduce the amounts recoverable by Franchisor from Developer.

## ARTICLE XV: DISPUTE RESOLUTION

### 15.1 Dispute Resolution

The Parties have reached this Agreement in good faith and in the belief that it is mutually advantageous to them. In the same spirit of cooperation, they pledge to try to resolve any dispute without resorting to litigation or arbitration. The Parties agree that if any dispute arises between them, then in such event, before beginning any legal action to interpret or enforce this Agreement, they will first follow the procedures described in this Section 15.1.

a) Initiation of Procedures. The Party that initiates these procedures ("Initiating Party") shall give written notice to the other Party, describing in general terms the nature of the dispute, specifying the Initiating Party's claim for relief, and identifying one or more people with authority to settle the dispute for him, her, or it. The Party receiving the notice ("Responding Party") will, within ten (10) days of receipt of said notice, provide the Initiating Party with a response to the Initiating Party's description of the dispute and will designate, by written notice to the Initiating Party, one or more people with authority to settle the dispute on the Responding Party's behalf. These people are called the "Authorized People."

b) Negotiation. The parties may investigate the dispute as they consider appropriate, but agree to meet in person, by prearranged teleconference, or by video conference within fifteen (15) days from the date of written notice from one party ("Initiating Party") to the other to discuss resolution of the dispute. The parties may meet at any times and places and as often as they agree.

c) Mediation. If the dispute has not been resolved within thirty (30) days after the initial meeting, the Parties shall engage in mediation, with either Party having the right to begin mediation procedures by filing a Request for Mediation with the American Arbitration Association ("AAA") and providing the other Party with a copy thereof in the manner designated for written notices in this Agreement. The Mediation will be conducted by and under the AAA, or under the auspices of such other organization or mediator to which the parties may agree, and shall last no longer than two

(2) days, unless otherwise agreed upon by written agreement of the parties. The parties will share the costs and expenses associated with the mediation equally, other than attorney fees which shall be borne by the party incurring them. All applicable statutes of limitation shall be tolled during the course of any mediation which is initiated before the last day of the limitations period with the tolling beginning the date that the Request for Mediation is deemed to be received by the recipient Party (pursuant to the Notices provision contained in this Agreement), and continuing until ten (10) days after the mediation is either concluded or suspended due to a Party's failure or refusal to participate in the mediation in violation of this Agreement. The parties shall choose one (1) mutually acceptable mediator by agreement. In the event that the Parties are not able to agree on the selection of a mediator, the Parties agree that the AAA will designate a mediator in connection with the dispute in accordance with its procedures and policies. The Mediation will be held in Tampa, FL at a location to be designated by us, or if no such designation is made, at such other location as is mutually agreed upon by the parties. The parties will not be required to first attempt to mediate a controversy, dispute, or claim through mediation as set forth in this Section if such controversy, dispute, or claim concerns an allegation that a party has violated (or threatens to violate, or poses an imminent risk of violating): (i) any federally protected intellectual property rights in the Proprietary Marks, the System, or in any Confidential Information; and (ii) any of the restrictive covenants contained in this Agreement.

d) Arbitration. Subject to Section 15.1(e) below and Section 16.4 below (entitled "Injunctive Relief"), any controversies, disputes or claims between us (our affiliates, if any, and our respective shareholders, officers, directors, agents, employees, successors and assigns) and you (your owners, guarantors, and their respective officers, directors, agents, employees, successors and assigns) under, or arising out of, or in connection with, this Agreement, if not resolved by the negotiation and mediation procedures above, shall be settled by arbitration administered by the AAA under its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator may be entered in any state or federal court of competent jurisdiction within the State of Florida. Any arbitration shall be before a single arbitrator and the arbitration shall be held at a location within Tampa, FL, as selected by the Parties, or, if the Parties cannot agree on a location, at a location as directed by the arbitrator. The Federal Arbitration Act shall govern, excluding all state arbitration laws. Florida law will govern all other issues. The decision of the arbitrator will be final and binding upon the parties. This arbitration clause will not deprive either party of any right it may otherwise have to seek provisional injunctive relief from a court of competent jurisdiction.

The arbitrator has the right to award or include in his or her award any relief he or she deems proper, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief and attorneys' fees and costs, provided that the arbitrator may not declare any

Mark generic or otherwise invalid. However, the arbitrator does not have the right to award to you (or your principals) any punitive, exemplary, incidental, indirect, special, consequential or other similar damages against us. As also expressly provided in Section 15.5 ("Limitation of Damages"), you (and your principals) hereby waive to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special, consequential, exemplary, or other similar damages. The arbitrator shall award to the successful party(ies), the costs and expenses of the prevailing party(ies), including reasonable attorneys' fees and disbursements, accountant's fees, expert witness fees, deposition related expenses, arbitration proceeding filing fees, arbitrator's compensation and expenses.

We and you agree that, in any arbitration proceeding, each party must submit or file any claim that would constitute a compulsory counterclaim (as defined in the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any clam that is not submitted or filed as required is forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us. We reserve the right, but have no obligation, to advance your share of the costs (excluding attorneys' fees) of any arbitration proceeding in order for such arbitration proceeding to take place or go forward and by doing so will not be deemed to have waived or relinquished our right to seek the recovery of these costs in accordance with this Section and Section 16.6 below.

Except for disputes concerning the parties' indemnification obligations or your non-payment of any amounts you owe to us, all claims must be brought within one (1) year: (i) from the date the underlying cause of action accrued; or (ii) if, however, the facts relating to the underlying cause of action were not readily discoverable then one (1) year from the date the complaining party knew or should have known such facts. The restrictions with respect to any claims against us shall also apply to our affiliates, principals, officers, directors, shareholders, employees, contractors or agents. The parties hereby waive any right to bring any such claim after such one-year period has expired. Notwithstanding the foregoing, if the one (1) year limitations period is unenforceable under Florida law, then the contractual limitations period will be equal to the shortest time period for a limitation of claims provision that is enforceable under Florida law. This contractual limitation of claims provision applies to all claims, whether based on contract, tort, statute, or any other legal theory. Developer acknowledges that this limitation of claims provision and the contractual limitations period is a material inducement for Franchisor to enter into this Agreement and that it is intended to provide certainty and finality to potential disputes. To the fullest extent permitted by law, Developer hereby waives any longer statutory limitation period and agrees that the foregoing limitation is reasonable and enforceable.

e) Disputes Not Subject to the Arbitration Process.

Notwithstanding anything contained in this Section 15.1 or otherwise, either party has the right to commence a legal action in any court of competent jurisdiction in order to assert claims or disputes (or portions thereof) which relate primarily to the enforceability of, and/or ownership rights in and to, the Trade Name, Marks, including, for example disputes governed by the U.S. Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law. Any such legal action may be commenced in court regardless of the type of relief sought (e.g., whether money damages or a temporary restraining order and/or temporary or preliminary injunctive relief). Notwithstanding the above, nothing shall restrict or prohibit a party from bringing any such claims referenced in this paragraph as part of or within an arbitration proceeding. Any covenant to negotiate, mediate or arbitrate disputes in accordance with Section 15.1 will not apply to any legal actions which are brought in court pursuant to this paragraph.

Notwithstanding anything contained in this Section 15.1 or otherwise, either party has the right to commence a legal action in any court of competent jurisdiction bringing claims or disputes (or portions thereof) where the relief sought is a temporary restraining order and/or temporary or preliminary injunctive relief and where the claim(s) or dispute(s) relate(s) primarily to the enforceability of provisions in this Agreement relating to restrictions with respect to: (i) Trade Secrets or Confidential Information (as defined herein) that we have licensed to you; (ii) non-disparagement; or (iii) non-competition. Any covenant to negotiate, mediate or arbitrate disputes in accordance with Section 15.1 will not apply to circumstances under which any party shall have the right to seek injunctive relief as provided in this Agreement. To the extent that either party brings claims or disputes relating to (i), (ii) or (iii) in this paragraph, where injunctive relief is not sought, then any such claims shall be subject to the dispute resolution procedures contained in this Section 15.1 (a) through (d) (e.g., relating to negotiation, mediation and arbitration).

Notwithstanding anything contained in this Section 15.1 or otherwise, we and/or our affiliate(s) have the right to commence a legal action in any court of competent jurisdiction with respect to any claims relating to monies owed to us or our affiliate(s). In the event that such an action is commenced, neither we nor our affiliate(s) shall be required to comply with the provisions relating to negotiation, mediation and arbitration which are contained in Article XV.

If the provisions of this subsection are unenforceable or would result in rendering this Section 15.1(e) (or any portion thereof) unenforceable for any reason, then the dispute shall be subject to negotiation, mediation, arbitration and appeal of any arbitration decision as provided in this Article XV.

f) Individual Dispute Resolution. Franchisor and Developer agree that arbitration shall be conducted on an individual, not a class-wide, basis and

that an arbitration proceeding between Franchisor and Developer shall not be consolidated with any other arbitration proceeding involving Franchisor and any other natural person, association, corporation, partnership or other entity, including any current or former System franchisee.

g) Performance During Resolution of Disputes. Franchisor and the Developer will fully perform their obligations under this Agreement during the entire dispute resolution process.

h) The provisions of this Section 15.1 shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

### 15.2 Choice of Law

Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without reference to its conflict of laws principles). The parties hereby submit all such disputes not governed by the U.S. Trademark Act of 1946 (or breaches of the confidentiality, non-disparagement or non-compete provisions hereof set forth in Article X or XI) to binding arbitration as set forth in Section 15.1(d) above. References to any law refer also to any successor laws and to any published regulations for such law as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

### 15.3 Consent to Jurisdiction

Subject to Section 15.1(e) and Section 16.4 ("Injunctive Relief"), any action brought by either party except those claims required to be submitted to arbitration, shall only be brought in the appropriate state or Federal courts located in or serving Tampa, Florida. The parties waive all questions of personal jurisdiction or venue for the purposes of carrying out this provision. Claims for injunctive relief may be brought by Franchisor where Developer is located. This exclusive choice of jurisdiction and venue provision shall not restrict the ability of the parties to confirm or enforce judgments or arbitration awards in any appropriate jurisdiction.

### 15.4 Cumulative Rights and Remedies

No right or remedy conferred upon or reserved to Franchisor or Developer by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be in addition to every other right or remedy. Nothing contained herein shall bar Franchisor's right to obtain injunctive relief against threatened conduct that may cause it loss or damages, including obtaining restraining orders and preliminary and permanent injunctions.

### 15.5 Limitation of Damages

Except for the following claims arising out of this Agreement: (i) your obligation to indemnify us for third party claims under subsection (h) of 14.4 (Indemnification), relating to claims for indemnification arising out of your infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Trade Secrets or other Confidential Information; (ii) claims for breach of your obligations under Section 10.2 (Use of Confidential Information); (iii) claims for breach of your obligations under Section 10.3 (Non-Disparagement); and (iv) claims for breach of your obligations under Sections 11.1 and 11.2 (Covenant Not to Compete), neither party will be entitled to recover special, consequential, exemplary or punitive damages under this Agreement. Subject to the above, the parties each waive, to the fullest extent permitted by law, any right or claim for any punitive or exemplary damages against the other and agree that if there is a dispute with the other, each will be limited to the recovery of actual damages sustained by it including reasonable accounting and legal fees. You waive and disclaim any right to consequential damages in any action or claim against us concerning this Agreement or any related agreement. In any claim or action brought by you against us concerning this Agreement, your contract damages shall not exceed and shall be limited to refund of your Development Fee.

### 15.6 Contractual Limitations Period.

Except for disputes concerning the parties' indemnification obligations or your non-payment of any amounts you owe to us, all claims must be brought within one (1) year: (i) from the date the underlying cause of action accrued; or (ii) if, however, the facts relating to the underlying cause of action were not readily discoverable then one (1) year from the date the complaining party knew or should have known such facts. The restrictions with respect to any claims against us shall also apply to our affiliates, principals, officers, directors, shareholders, employees, contractors or agents. The parties hereby waive any right to bring any such claim after such one-year period has expired. Notwithstanding the foregoing, if the one (1) year limitations period is unenforceable under Florida law, then the contractual limitations period will be equal to the shortest time period for a limitation of claims provision that is enforceable under Florida law. This contractual limitation of claims provision applies to all claims, whether based on contract, tort, statute, or any other legal theory. Developer acknowledges that this limitation of claims provision and the contractual limitations period is a material inducement for Franchisor to enter into this Agreement and that it is intended to provide certainty and finality to potential disputes. To the fullest extent permitted by law, Developer hereby waives any longer statutory limitation period and agrees that the foregoing limitation is reasonable and enforceable. The restrictions with respect to any claims against us shall also apply to claims against our affiliates, principals, officers, directors, shareholders, employees, contractors or agents. The parties hereby waive any right to bring any such claim after such one-year period has expired.

### 15.7 Waiver of Jury Trial and Class Action

Each party hereby irrevocably waives all rights to trial by jury in any action, proceeding or counterclaim, whether at law or equity, regardless of which party initiates the suit. This waiver applies to any matter arising out of or in any way related to this Agreement, the parties' performance under or breach of this Agreement, and/or Developer's purchase from Franchisor of the Franchised Business and/or any goods or services. Developer additionally waives the right

to initiate or participate in a class action in any forum, including without limitation, participating in any class or group arbitration, and the parties agree that all proceedings arising out of or related to this Agreement or Developer's purchase of the Franchised Business will be conducted on an individual, and not a class-wide basis. The parties acknowledge and further agree that any proceeding between Developer, Developer's Guarantor(s) and Franchisor or Franchisor's affiliates, officers and/or employees may not be consolidated with any other proceeding between Franchisor and any other third party, including with any current or former System franchisee.

## ARTICLE XVI: GENERAL CONDITIONS AND PROVISION

### 16.1 Entire Agreement

This Agreement and all attachments to this Agreement constitute the entire, full and complete agreement and understanding between the parties and supersede any and all prior negotiations, understandings, representations, and agreements, no other representations, promises, warranties or agreements have induced Developer to execute this Agreement. Both parties acknowledge and agree that there are no oral or written representations, promises, assurances, warranties, covenants, "side-deals", rights of first refusal, options or understandings other than those expressly contained in this Agreement. This Agreement supersedes all prior agreements, no other representations, promises, warranties, assurances, covenants, "side deals", rights of first refusal, options or understandings having induced Developer to execute this Agreement. The Parties agree that, in entering into this Agreement, they are each relying on their own judgment, belief and knowledge as to any claims and further acknowledge that no promise, inducement or agreement or any representations and warranties not expressed herein have been made to procure their agreement hereto. The parties further acknowledge that they have read, fully understand and fully agreed to the terms of this Agreement. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the franchise disclosure document that Franchisor furnished to Developer.

### 16.2 Binding Effect

This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. Subject to Franchisor's right to modify the Operations Manual and System Standards, this Agreement shall not be modified except by written agreement signed by Franchisor and Developer.

### 16.3 No Waiver

No failure of Franchisor to exercise any power reserved to it hereunder, or to insist upon strict compliance by Developer with any obligation or condition hereunder, and no custom nor practice of the parties in variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with the terms of this Agreement. Waiver by Franchisor of any particular default by Developer shall not be binding unless in writing and executed by Franchisor and shall not affect nor impair Franchisor's right with respect to any subsequent default of the same or of a different nature. Subsequent acceptance by Franchisor of any payment(s) due shall not be deemed to be a waiver by Franchisor of any preceding breach by Developer of any terms, covenants or conditions of this Agreement.

### 16.4 Injunctive Relief

As your breach of any of the restrictions contained in Articles IX, X and XI would result in irreparable injury to us, and as the damages arising out of any such breach would be difficult to ascertain, in addition to all other remedies provided by law or in equity, we shall be entitled to seek injunctive relief (whether a restraining order, a preliminary injunction or a permanent injunction) against any such breach, whether actual or contemplated, without the necessity of posting security or bond and you shall be responsible for our reasonable attorneys' fees incurred in pursuing the same. Our right to seek injunctive relief will not affect the parties' waiver of jury trial. Any covenant to negotiate, mediate and arbitrate disputes in accordance with Section 15.1 will not apply to circumstances under which any party shall be entitled to seek injunctive relief pursuant to this Agreement. Our rights herein shall include pursuing injunctive relief through arbitration or in a state or federal court of competent jurisdiction. Notwithstanding anything contained in this Agreement, to the extent that any party seeks a temporary restraining order and/or temporary or preliminary injunctive relief from a court of competent jurisdiction, that party agrees to contemporaneously submit the dispute for arbitration on the merits as provided for in Section 15.1(d).

### 16.5 Notices

Whenever notice is required or permitted to be given under the terms of this Agreement, it shall be given in writing, and be delivered personally or by certified or registered mail, postage prepaid, addressed to the party for whom intended, and shall be deemed given on the date of delivery or delivery is refused. All such notices shall be addressed to the party to be notified at their respective addresses as first above written, or at such other address or addresses as the parties may from time to time designate in writing.

### 16.6 Cost of Enforcement or Defense

If we or you are required to enforce this Agreement in a judicial or arbitration proceeding, in addition to any other relief to which the prevailing party may be entitled, the prevailing party shall be entitled to reimbursement of its costs and expenses including without limitation, reasonable attorneys' (and paralegal) fees, accountant's fees, investigative fees, expert fees, filing fees, arbitrator compensation and expenses, court costs, taxes and all expenses, together with all costs and expenses incident to arbitration, post-award or post-judgment proceedings and appellate proceedings incurred by the prevailing party in that action or proceeding. As used in this Agreement, the "prevailing party" is the party who recovers greater relief in the action.

### 16.7 Approvals

Whenever this Agreement requires the prior approval or consent of Franchisor, Developer shall make a timely written request to Franchisor for such approval and, except as otherwise provided herein, any approval or consent granted shall be effective only if in writing. Franchisor makes no warranties or guarantees upon which Developer may rely, and assumes no liability or obligation to Developer or any third party to which it would not otherwise be subject, by providing

any waiver, approval, advice, consent or services to Developer in connection with this Agreement, or by reason of any neglect, delay or denial of any request for approval.

### 16.8 Severability and Modification

a) Except as noted below, each paragraph, part, term and provision of this Agreement shall be considered severable. If any paragraph, part, term or provision herein is ruled to be unenforceable, unreasonable or invalid, such ruling shall not impair the operation of or affect the remaining portions, paragraphs, parts, terms and provisions of this Agreement, and the latter shall continue to be given full force and effect and bind the parties; and such unenforceable, unreasonable or invalid paragraphs, parts, terms or provisions shall be deemed not part of this Agreement. If Franchisor determines that a finding of invalidity adversely affects the basic consideration of this Agreement, Franchisor has the right to, at its option, terminate this Agreement.

b) Notwithstanding the above, each of the covenants contained in Articles X and XI shall be construed as independent of any other covenant or provision of this Agreement. If any court or arbitration panel determines that any provision of this Agreement to be unenforceable under applicable law, such court or arbitration panel shall have power to modify in the least amount as is necessary to render it enforceable to the maximum extent permitted by law.

### 16.9 Construction

All captions herein are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

### 16.10 Force Majeure

Whenever a period of time is provided in this Agreement for either party to perform any act, except pay monies, neither party shall be liable nor responsible for any delays due to strikes, lockouts, casualties, acts of God, war, terrorism, governmental regulation or control or other causes beyond the reasonable control of the parties, and the time period for the performance of such act shall be extended for the amount of time of the delay. This clause shall not result in an extension of the term of this Agreement.

### 16.11 Withholding Payments

Developer shall not, for any reason, withhold payment of any amounts due to Franchisor or to Franchisor's affiliate. Developer shall not withhold or offset any amounts, damages or other monies allegedly due to Developer against any amounts due to Franchisor. No endorsement or statement on any payment for less than the full amount due to Franchisor will be construed as an acknowledgment of payment in full, or an accord and satisfaction, and Franchisor has the right to accept and cash any such payment without prejudice to Franchisor's right to recover the full amount due, or pursue any other remedy provided in this Agreement or by law. Franchisor has the

right to apply any payments made by Developer against any of Developer's past due indebtedness as Franchisor deems appropriate. Franchisor shall set off sums Franchisor owes to Developer against any unpaid debts owed by Developer to Franchisor.

### 16.12 Further Assurances

Each party to this Agreement will execute and deliver such further instruments, contracts, forms or other documents, and will perform such further acts, as may be necessary or desirable to perform or complete any term, covenant or obligation contained in this Agreement.

### 16.13 Third-Party Beneficiaries

Anything to the contrary notwithstanding, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisor or Developer, and their respective successors and assigns as may be contemplated by this Agreement, any rights or remedies under this Agreement.

### 16.14 Developer's Legal Counsel

Developer acknowledges that this Agreement constitutes a legal document that grants certain rights to and imposes certain obligations upon Developer. Developer has been advised by Franchisor to retain an attorney or advisor prior to the execution of this Agreement to review the Franchise Disclosure Document delivered to Developer by Franchisor, to review this Agreement in detail, to review all legal documents, including any leases, all purchase agreements and architectural and construction contracts, to review the economics, operations and other business aspects of the multi-unit development business and Restaurants, to determine compliance with applicable laws, to advise Developer on economic risks, liabilities, obligations and rights under this Agreement, and to advise Developer on tax issues, financing matters, applicable state and federal laws, health and safety laws, environmental laws, employee issues, insurance, structure of the Developer's business, and other legal and business matters, if applicable.

### 16.15 Counterparts

The parties hereby agree that this Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement. The parties further agree that in the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

*[Remainder of page intentionally left blank. Signature page follow.]*

**IN WITNESS WHEREOF**, the undersigned have signed this Agreement on the date first written above.

**FRANCHISOR**:

**VINTAGE HOSPITALITY GROUP, LLC**

By: _____
Name: _____
Title: _____

**DEVELOPER**:

**Entity**:

By:_____
Name: _____
Title: _____
Address:_____
_____

**Principals:**

By:_____
Name: _____
Title: _____
Address:_____
_____
_____

By:_____
Name: _____
Title: _____
Address:_____
_____
_____
_____

## ATTACHMENT 1

## DEVELOPMENT SCHEDULE

| Restaurant # | Date of Execution for Franchise Agreement/Payment of Remaining Franchise Fee | Mandatory Opening Date |
|---|---|---|
| **1** | Same as MUDA/ $0 | MUDA/FA1 Execution Date + 18 Months |
| **2** | MUDA Execution Date + 12 Months / $25,000 | |
| **3** | MUDA Execution Date + 24 Months / $25,000 | |

**Expiration Date**:

This Agreement shall expire on the date of our acceptance and execution of a Franchise Agreement for the last of the Franchised Businesses to be established pursuant to the above Development Schedule, or ten (10) years from the date of execution, whichever occurs first.

Developer:

**[Name of Developer]**

By:_____
Name: _____
Title: _____

Franchisor:

**VINTAGE HOSPITALITY GROUP, LLC**

By:_____
Name: _____
Title: _____

**ATTACHMENT 2**

**BUSINESS TERMS**

Developer's business name, address, phone number, facsimile, email address, and attorney:

Development Fee:

Development Area:

## ATTACHMENT 3

## OWNER'S OF DEVELOPER

| NAME OF OWNER | NATURE OF INTEREST | BENEFICIAL INTEREST IN DEVELOPER |
|---|---|---|
| | | |
| | | |
| | | |
| | | |

Totals: 100%

# EXHIBIT D

## FINANCIAL STATEMENTS FOR VINTAGE HOSPITALITY GROUP, LLC

Financial Statements

# Vintage Hospitality Group, LLC

December 31, 2025, 2024, and 2023

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GBQ Partners

To the Member
Vintage Hospitality Group, LLC
Tampa, Florida

# Independent Auditor's Report

## *Opinion*

We have audited the financial statements of Vintage Hospitality Group, LLC (the Company), which comprise the balance sheets as of December 31, 2025, 2024, and 2023 and the related statements of income and changes in member's equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, 2024, and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## *Basis for Opinion*

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

## *Responsibilities of Management for the Financial Statements*

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

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

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

GBQ Partners LLC

Cincinnati, Ohio
April 15, 2026

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# VINTAGE HOSPITALITY GROUP, LLC
## Balance Sheets
## December 31, 2025, 2024, and 2023

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Current Assets** | | | |
| Cash and cash equivalents | **$ 5,246,185** | $ 2,722,076 | $ 2,110,589 |
| Certificate of deposit | **-** | 1,000,000 | 1,000,000 |
| Accounts receivable, net | **287,647** | 352,153 | 157,295 |
| Franchisee receivables, net - related parties | **335,872** | 384,866 | 293,046 |
| Prepaid expenses | **20,062** | 24,086 | 18,652 |
| Inventory | **17,056** | 33,504 | 22,632 |
| Deferred contract assets, current portion | **27,690** | - | - |
| Deferred gift card fees, net | **170,982** | 161,830 | 120,244 |
| Total current assets | **6,105,494** | 4,678,515 | 3,722,458 |
| **Property and Equipment,** net | **32,448** | 37,682 | 49,176 |
| **Other Assets** | | | |
| Deposits | **42,630** | 62,700 | 102,845 |
| Other receivables - related parties | **315,925** | 311,174 | - |
| Deferred contract assets, less current portion | **212,872** | - | - |
| Operating lease - right of use assets | **150,888** | 218,969 | 286,287 |
| Total other assets | **722,315** | 592,843 | 389,132 |
| **TOTAL ASSETS** | **$ 6,860,257** | $ 5,309,040 | $ 4,160,766 |
| **LIABILITIES AND MEMBER'S EQUITY** | | | |
| **Current Liabilities** | | | |
| Accounts payable and accrued expenses | **$ 1,756,079** | $ 1,526,012 | $ 1,415,522 |
| Gift card liability, net | **2,958,245** | 2,612,822 | 2,005,195 |
| Operating lease liabilities, current portion | **70,126** | 71,980 | 67,319 |
| Deferred franchise fees, current portion | **121,970** | 11,970 | 11,970 |
| Loyalty program liability | **134,740** | 34,839 | 30,208 |
| Total current liabilities | **5,041,160** | 4,257,623 | 3,530,214 |
| **Long-Term Liabilities** | | | |
| Deferred franchise fees, less current portion | **544,729** | 62,449 | 74,419 |
| Operating lease liabilities, less current portion | **82,977** | 147,721 | 218,968 |
| Total long-term liabilities | **627,706** | 210,170 | 293,387 |
| Total liabilities | **5,668,866** | 4,467,793 | 3,823,601 |
| **Member's Equity** | **1,191,391** | 841,247 | 337,165 |
| **TOTAL LIABILITIES AND MEMBER'S EQUITY** | **$ 6,860,257** | $ 5,309,040 | $ 4,160,766 |

*The accompanying notes are an integral part of the financial statements.*

# VINTAGE HOSPITALITY GROUP, LLC
## Statements of Income and Changes in Member's Equity
## For the Years Ended December 31, 2025, 2024, and 2023

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| **Revenues** | | | |
| Royalty revenue | **$ 4,638,083** | $ 3,677,786 | $ 3,552,527 |
| Marketing fund revenue | **1,864,442** | 1,528,268 | 1,696,936 |
| Gift card breakage revenue | **121,911** | 108,257 | 93,083 |
| Management fee revenue | **173,304** | 104,826 | 34,423 |
| Retail sales | **28,613** | 21,395 | 22,331 |
| Franchise fee revenue | **47,720** | 11,970 | 11,136 |
| Total revenues | **6,874,073** | 5,452,502 | 5,410,436 |
| **Costs and Expenses** | | | |
| Payroll and related expenses | **2,438,470** | 2,420,753 | 2,086,537 |
| Marketing fund expenses | **1,864,218** | 1,512,432 | 1,776,919 |
| Operating expenses | **1,205,082** | 1,088,771 | 867,142 |
| Total costs and expenses | **5,507,770** | 5,021,956 | 4,730,598 |
| Income from operations | **1,366,303** | 430,546 | 679,838 |
| **Other (Expense) Income** | | | |
| Other (expense) income, net | **(99,901)** | (4,611) | 43,200 |
| Interest income | **140,100** | 78,147 | 43,585 |
| Total other income, net | **40,199** | 73,536 | 86,785 |
| **Net Income** | **1,406,502** | 504,082 | 766,623 |
| **Member's Equity - Beginning of Year** | **841,247** | 337,165 | 897,452 |
| Distributions to member | **(1,056,358)** | - | (1,326,910) |
| **Member's Equity - End of Year** | **$ 1,191,391** | $ 841,247 | $ 337,165 |

*The accompanying notes are an integral part of the financial statements.*

# VINTAGE HOSPITALITY GROUP, LLC
## Statements of Cash Flows
## For the Years Ended December 31, 2025, 2024, and 2023

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| **Cash Flows from Operating Activities** | | | |
| Net income | **$ 1,406,502** | $ 504,082 | $ 766,623 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation expense | **15,213** | 13,702 | 12,478 |
| Loss on disposal of property and equipment | **-** | 1,166 | 42,777 |
| Gain on disposal of right of use asset and operating lease liability | **-** | - | (17,489) |
| Accretion of deferred franchise fees | **(47,720)** | (11,970) | (11,136) |
| Decrease (increase) in: | | | |
| Accounts receivable | **64,506** | (194,858) | 46,305 |
| Franchisee receivables - related parties | **48,994** | (91,820) | (78,525) |
| Prepaid expenses | **4,024** | (5,433) | (13,007) |
| Inventory | **16,448** | (10,872) | (6,681) |
| Deferred gift card fees | **(9,152)** | (41,586) | (11,312) |
| Deposits | **20,070** | 40,145 | (102,845) |
| Other receivables - related parties | **(4,751)** | (311,174) | - |
| Deferred contract assets | **(240,562)** | - | - |
| Increase (decrease) in: | | | |
| Accounts payable and accrued expenses | **230,067** | 110,489 | (6,895) |
| Gift card liability | **345,423** | 607,627 | 174,227 |
| Deferred franchise fees | **640,000** | - | 45,000 |
| Loyalty program liability | **99,901** | 4,631 | (8,505) |
| Operating lease assets and liabilities, net | **1,483** | 732 | - |
| Net cash provided by operating activities | **2,590,446** | 614,861 | 831,015 |
| **Cash Flows from Investing Activities** | | | |
| Purchases of property and equipment | **(9,979)** | (3,374) | (21,626) |
| Purchase of certificate of deposit | **-** | (1,000,000) | (1,000,000) |
| Redemption of certificate of deposit | **1,000,000** | 1,000,000 | - |
| Net cash provided (used) by investing activities | **990,021** | (3,374) | (1,021,626) |
| **Cash Flows from Financing Activities** | | | |
| Distributions to member | **(1,056,358)** | - | (1,326,910) |
| Net cash used by financing activities | **(1,056,358)** | - | (1,326,910) |
| Net increase (decrease) in cash and cash equivalents | **2,524,109** | 611,487 | (1,517,521) |
| **Cash and Cash Equivalents - Beginning of Year** | **2,722,076** | 2,110,589 | 3,628,110 |
| **Cash and Cash Equivalents - End of Year** | **$ 5,246,185** | $ 2,722,076 | $ 2,110,589 |
| **Supplemental Disclosure of Cash Flow Information** | | | |
| Noncash recognition of right-of-use assets in exchange for lease obligations under ASC 842 | **$ -** | $ - | $ 313,375 |

*The accompanying notes are an integral part of the financial statements.*

## Nature and Scope of Business

Vintage Hospitality Group, LLC (the "Company"), formerly known as Icon Restaurant Group, LLC, incorporated as a limited liability company in July 2014, is primarily a franchisor in the restaurant industry. During 2023, the members of the Company contributed their interests into a new holding company, Motor City Holdings, LLC (the Parent or Member), which now owns 100% of the Company. On April 18, 2024, the Company changed its name to Vintage Hospitality Group, LLC.

The Company operates as the franchisor of Ford's Garage restaurants, under a licensing agreement with Ford Motor Company for use of the name, Ford's Garage. The Company is a franchisor, with all locations acting as franchisees.

The Company allows franchisees to use the Ford's Garage name in accordance with the underlying franchise agreement. As of December 31, 2025, 2024, and 2023, the Company had 33, 30 and 24, respectively, franchisee locations. The franchised locations are concentrated in Florida with operations in eight, seven, and five other states as of December 31, 2025, 2024, and 2023, respectively. The Company is actively pursuing growth opportunities in states where it currently does business, and various other states throughout the United States. At this time, the Company does not have any Company owned locations, but may in the future. One restaurant location is a joint venture with the Parent and a third-party.

## Summary of Significant Accounting Policies

### Basis of Accounting

The financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

### Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all cash and other liquid investments with maturities of three months or less to be cash equivalents. As of December 31, 2025, 2024, and 2023, the Company did not maintain investments considered to be cash equivalents.

**Summary of Significant Accounting Policies** (continued)

Cash and Cash Equivalents (continued)

Cash held related to the Company's gift card programs is not considered to be restricted cash as there are no restrictions on the use of these funds. Cash held for the marketing fund must be spent on marketing-related expenses (see *Marketing Fund policy*) and had a balance of $318,243, $234,431, and $255,044 as of December 31, 2025, 2024, and 2023, respectively.

Certificate of Deposit

The Company maintains a certificate of deposit in a financial institution with an original maturity in excess of three months. The Company purchased a certificate of deposit on February 21, 2023, which earned interest of 4.495% and matured on March 21, 2024. The Company purchased a new certificate of deposit on March 21, 2024 which earns interest of 5.113% and matured on April 29, 2025. The Company does not have a certificate of deposit as of December 31, 2025.

Receivables and Allowance for Credit Losses

The Company's receivables consist of monthly royalties and marketing revenue from franchisees, gift cards sold to a third-party retailer, and other receivables from related parties. Accounts receivable are generally due within 30 days of the period in which the corresponding revenue or sale occurred. On a continuing basis, management analyzes delinquent receivables and, once determined to be uncollectible, writes them off through a charge to an existing allowance account. Accounts receivable balances relating to contracts with customers as of December 31, 2025, 2024, 2023 and January 1, 2023 were $287,647, $352,153, $157,295 and $203,600, respectively.

The carrying amount of receivables is reduced by a valuation allowance for expected credit losses, as necessary, that reflects management's best estimate of the amount that will not be collected. This estimation takes into consideration subsequent collections, historical experience, current conditions, and as applicable, reasonable supportable forecasts. Actual results could vary from the estimate. Accounts are charged against the allowance when management deems them to be uncollectible. Based on its assessment, management determined that the risk of credit loss was not material. There was no valuation allowance recorded as of December 31, 2025, 2024 or 2023.

Inventory

Inventory consists primarily of gift cards and menu kits, which are stated at the lower of cost or net realizable value on a first-in, first-out basis.

**Summary of Significant Accounting Policies** (continued)

Property and Equipment

Property and equipment costs are capitalized and charged to earnings using the straight-line depreciation method over their estimated useful lives (five years for computer equipment, furniture, and fixtures). The costs of significant additions, renewals, and betterments are capitalized and similarly depreciated, whereas the costs of repairs and routine maintenance are charged to earnings as incurred. Generally, when property items are retired or otherwise disposed of, the costs and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income.

Leases

Pursuant to GAAP, a contract contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Operating leases are included in operating lease – right of use (ROU) asset, operating lease liabilities, current, and operating lease liabilities within the Company's accompanying balance sheets.

ROU assets represent the Company's right to use an underlying asset for the lease term, and lease liabilities represent the Company's obligation to make lease payments. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Company uses the implicit rate when it is readily determined. If the Company's leases do not provide an implicit rate, the Company elected the practical expedient to utilize the risk-free rate to determine the present value of lease payments. Operating lease ROU assets also include any lease payments made and exclude any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise the option.

The Company has a lease agreement for its office space with lease and non-lease components; however, the Company has elected the practical expedient to account for the lease and non-lease components as a single lease.

**Summary of Significant Accounting Policies** (continued)

Impairment of Long-Lived Assets and Long-Lived Assets to be Disposed of

The Company reviews long-lived assets and certain identifiable intangibles for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. There was no impairment charge recognized during the years ended December 31, 2025, 2024 or 2023.

Gift Card Liability

The Company administers a gift card program for the franchise system. The Company records a liability in the period in which a gift card is sold and recognizes costs associated with its administration of the gift card programs as deferred gift card fees when the costs are incurred. The liability and deferred gift card fees recorded on the Company's balance sheets are relieved when gift cards are redeemed. If redemption occurs at a franchisee-operated restaurant, the gift card proceeds, net of costs, are remitted to the franchisee. The Company receives gift card breakage revenue from any gift card not redeemed.

The gift card liability of $2,958,245, $2,612,822, $2,005,195, and $1,830,968, and deferred gift card fees of $170,982, $161,830, $120,244, and $108,932 is included in the accompanying balance sheets as of December 31, 2025, 2024, 2023, and January 1, 2023, respectively.

Customer Loyalty Program

The Company maintains a loyalty program allowing customers to earn discounts based on factors including amounts spent at the restaurants and the number of visits, during a period. As points are earned by the customers, the Company records a contra revenue in the statements of income and changes in member’s equity and establishes a liability for future redemptions by multiplying the fair value of the expected reward by the quantity of qualified visits. Likewise, the liability for future redemptions is decreased by the quantity of reward redemptions and expirations. The estimated fair value of the expected award is based on many factors, primarily related to the expected future redemption patterns, and associated costs. The Company monitors, on an ongoing basis, trends in redemption rates and adjusts the fair value of the expected award based on future activity. The Company continues to evaluate and revise certain assumptions used to calculate the program liability, based on redemption experience, and expected future activity. Previously, loyalty rewards expire within 90 days of issuance. In March of 2025, the Company started a new loyalty program under which loyalty rewards expire 90 days after issuance and points expire one year after earned. The Company receives gift card breakage revenue from any gift card not redeemed. As of December 31, 2025, 2024, and 2023, the deferred liability related to the loyalty program was $134,740, $34,839, and $30,208, respectively.

**Summary of Significant Accounting Policies** (continued)

Revenue Recognition

The Company recognizes revenue in accordance with FASB ASC 606, *Revenue from Contracts with Customers (Topic 606).* The core principle of ASC 606 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration the entity expects to be entitled in exchange for those goods or services.

*Initial franchise fees*

The Company generates revenues from franchising through individual franchise agreements and development agreements. In consideration for the payment of an initial franchise and development fee and continuing royalties specified in the franchise agreement, the Company grants new franchisees the use of the Ford's Garage trademarks, system and training, and restaurant operation assistance.

Deferred revenue obtained prior to January 1, 2025, is accounted for under ASC 606 as a single performance obligation, which is satisfied over time by providing a right to use the intellectual property over the term of each franchise agreement. Initial and renewal franchise fees and area development fees are recognized as revenue over the term of the respective agreement unless the franchise agreement is terminated early, in which case the remaining initial or renewal franchise fee is fully recognized in the period of termination.

The Company satisfies the performance obligation related to the franchise and development agreements over the term of the related agreement, which is typically 10 years. As a result, revenue is recognized over the life of the related agreement. Payment for the franchise and development agreements consists of a fixed fee as determined by the signed agreement, is nonrefundable and due when the agreement is entered.

Effective January 1, 2025, the Company has elected to apply the practical expedient under (ASC) *Revenue from Contracts with Customers* ("Topic 606"), ASU 2021-02 *Franchisors – Revenue from Contracts with Customers (Subtopic 952-606)* and has divided its performance obligations into two components: upfront obligations (satisfied at a point in time) and obligations under the ongoing franchise agreement (satisfied over a period of time). See *Change in Accounting Principle – Adoption of Practical Expedient for Pre-Opening Services* note.

The Company has identified its pre-opening services as a separate and distinct element of its contract satisfied at a point in time because, upon completion, the franchisee has full knowledge of the Company's proprietary methods. Further, most of the Company's direct costs are associated with the recruiting and training of franchisees. The Company calculated upfront revenue in reference to the total transaction price over the term of the initial franchise agreement and an allocation to the specific performance obligations based on their relative stand-alone values. Based on this calculation, the Company recognizes upfront revenue of 70% of the franchise fee. The deferred revenue resulting from the income deferral will be amortized on a straight-line basis over the remaining term of the franchise agreement.

**Summary of Significant Accounting Policies** (continued)

Revenue Recognition (continued)

*Initial franchise fees* (continued)

In the event a franchise agreement is terminated, any remaining deferred revenue is recognized in the period of termination.

The Company has agreements with certain employees to facilitate the sale of franchises. The terms of these agreements require that the Company pay commissions to these employees for each franchise sold. Under ASC 606, these commissions are recorded as deferred contract assets and recognized beginning when the performance obligation commences through the life of the franchise agreement, which is the same term over which the revenue is recognized. Other direct costs incurred by the franchisor for new franchise locations are recognized at the time the store opens.

A summary of significant changes to the deferred franchise fees and deferred contract assets balances are shown below:

| | Deferred Contract Assets | Deferred Franchise Fees |
|---|---|---|
| Balance, December 31, 2022 | $ - | $ 52,525 |
| Initial franchise fees deferred | - | 45,000 |
| Franchise fee revenue recognized | - | (11,136) |
| Balance, December 31, 2023 | - | 86,389 |
| Franchise fee revenue recognized | - | (11,970) |
| Balance, December 31, 2024 | - | 74,419 |
| Initial franchise fees deferred | - | 640,000 |
| Franchise fee revenue recognized | - | (47,720) |
| Incremental direct costs incurred | 240,562 | - |
| **Balance, December 31, 2025** | **$ 240,562** | **$ 666,699** |

The Company entered into franchise agreements with non-related parties during 2025. As of December 31, 2025, 2024, and 2023, deferred revenue related to related parties was $71,699, $74,419, and 86,389, respectively.

**Summary of Significant Accounting Policies** (continued)

Revenue Recognition (continued)

*Initial franchise fees* (continued)

As of December 31, 2025, estimated amortization expense of deferred contract assets and estimated accretion income of deferred franchise fees for the next five years and thereafter are presented below based on the estimated franchise store opening date and then recognized over the remaining term of the franchise agreement:

| | Deferred Contract Assets | Deferred Franchise Fees |
|---|---|---|
| 2026 | $ 27,690 | $ 121,970 |
| 2027 | 18,025 | 119,724 |
| 2028 | 11,842 | 95,078 |
| 2029 | 16,148 | 77,528 |
| 2030 | 19,377 | 73,078 |
| Thereafter | 147,480 | 179,321 |
| | $ 240,562 | $ 666,699 |

Future store openings are subject to adjusted opening schedules.

*Royalties*

The Company earns revenue related to royalties paid by the franchisees on net sales. During 2025, 2024, and 2023, the royalty percentage earned by the Company was 3% for most locations. Royalty revenues are recognized as income in the same period the sales occur. For the years ended December 31, 2025, 2024, and 2023, royalty fees recognized were $4,638,083, $3,677,786, and $3,552,527, respectively.

*Marketing fund*

The Company established a marketing fund to enhance and protect the Ford's Garage brand and advertise the system and products offered by Ford's Garage restaurants. The Company earns marketing revenue paid by the franchisees on net sales. During 2025, 2024, and 2023, the marketing contribution percentage was 1.00% and 1.25%, respectively, for most locations. Any marketing revenues received in excess of marketing expenses incurred are rolled over to the subsequent year. As of December 31, 2025, 2024, and 2023, the Company had a liability of $230,896, $102,098, and $165,552, respectively, included within accounts payable and accrued expenses on the balance sheets representing unspent marketing funds to be used in the subsequent year, in accordance with the related franchise agreements.

**Summary of Significant Accounting Policies** (continued)

Revenue Recognition (continued)

*Gift card liability breakage*

The Company sells redeemable gift cards for products in the Company's restaurants. The gift cards are sold online, at third party retail stores, and by franchisee stores. The Company manages the gift card program and collects all funds from the activation of gift cards and reimburses franchisees for the fulfillment of redeemed gift cards in their restaurants. The Company acts as an agent in this relationship and records proceeds from gift card sales net of the associated reimbursements to franchisees following gift card redemption. The accompanying balance sheets include a contract liability for unredeemed gift cards. There are no expiration dates on the outstanding, unredeemed gift card balances. While outstanding gift card balances do not expire, the likelihood of redemption may be determined to be remote for certain cards due to long periods of inactivity. The Company recorded breakage revenue of $121,911, $108,257, and $93,083 in the accompanying statements of income and changes in member's equity for the years ended December 31, 2025, 2024, and 2023, respectively.

Gift cards sold at a discount are recorded as revenue upon redemption of the associated gift cards at an amount net of the related discount. Gift card fees paid to third party providers are initially capitalized and subsequently recognized as operating expenses upon redemption of the associated gift card. Deferred expenses related to these gift card fees paid to third parties of $170,982, $161,830, and $120,244 as of December 31, 2025, 2024, and 2023, respectively, are reflected in current assets in the accompanying balance sheets.

The Company follows a breakage model in accordance with ASC 606 and recognizes "breakage revenue" for gift cards when the likelihood of redemption by the customer is remote. Gift card breakage revenue is recognized over time in proportion to customers' pattern of gift card redemptions.

*Management fee*

The Company earns a management fee from a related party based on 2% of net sales. Management fee revenue is recognized in the same period the sales occurred.

**Summary of Significant Accounting Policies** (continued)

Change in Accounting Principle – Adoption of Practical Expedient for Pre-Opening Services

Effective January 1, 2025, the Company adopted ASU 2021-02 (ASC 952-606), electing the practical expedient for nonpublic franchisors and an accounting policy to account for all qualifying pre-opening services as a single performance obligation. Before adoption, the Company generally concluded pre-opening services were not distinct from the franchise license and recognized substantially all initial franchise fees over the term of the franchise agreement; under the new policy, initial franchise fees are allocated between the franchise license and pre-opening services, resulting in earlier recognition of the portion allocated to pre-opening services and reduced revenue recognized over the remaining franchise agreement term. The adoption is accounted for as a change in accounting principle and does not change the total revenue recognized over the life of each contract. As required by ASC 952-606, the Company discloses its election of the franchisor practical expedient and policy election to treat qualifying pre-opening services as a single performance obligation, and as a nonpublic entity, has applied available disclosure relief for certain detailed quantitative revenue information.

Advertising

The Company expenses advertising expenses as incurred. Total advertising expenses were $705,817, $553,408, and $632,116 for the years ended December 31, 2025, 2024, and 2023, respectively, and is included in marketing fund expenses and operating expenses on the statements of income and member's equity.

Fair Value of Financial Instruments

GAAP established a fair value hierarchy that prioritizes the inputs to measure the fair value of the assets or liabilities being measured. Fair value is defined as the exchange value that would be received on the measurement date to sell the asset or to value the amount paid to transfer a liability in the principal or most advantageous market available to the entity in an orderly transaction between market participants. Certificates of deposit are valued at cost and are classified within Level 1 of the valuation hierarchy.

Income Taxes

The Company is organized as a limited liability company and is not subject to federal and state income taxes. The Company's member reports its distributive share of the income, gains, losses, deductions and credits of the Company on its federal and state income tax returns.

The Company accounts for uncertainty in income taxes in its financial statements as required under ASC 740, Income Taxes. The standard prescribes a recognition threshold and measurement attribute for the consolidated financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The standard also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition accounting. Management determined there were no material uncertain positions taken by the Company in its tax returns.

## Summary of Significant Accounting Policies (continued)

Newly Adopted Accounting Pronouncements

In July 2025, the FASB issued ASU 2025-05, Measurement of Credit Losses for Accounts Receivable and Contract Assets, which amends ASC 326-20 to provide a practical expedient and an accounting policy election related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606. Specifically, the ASU provides a practical expedient to assume that current conditions as of the balance sheet do not change for the remaining life of the asset. For entities that elect the practical expedient, the ASU also allows an accounting policy election to consider collection activity after the balance sheet date when estimating expected credit losses. ASU 2025-05 is effective for fiscal years beginning after December 15, 2025, with early adoption permitted. The Company has elected to early adopt the practical expedient and accounting policy election, which did not have a material effect on the accompanying financial statements.

## Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses are summarized as follows as of December 31, 2025, 2024, and 2023:

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Accounts payable | **$ 234,461** | $ 256,982 | $ 293,654 |
| Royalty payable - Ford Motor Company | **956,506** | 813,389 | 614,346 |
| Accrued compensation | **328,346** | 188,690 | 269,406 |
| Franchisee local marketing liability - related parties | **-** | 153,392 | 63,004 |
| Other accrued liabilities | **236,766** | 113,559 | 175,112 |
| **Total** | **$ 1,756,079** | $ 1,526,012 | $ 1,415,522 |

## Concentration of Credit Risk

The Company maintains its cash balances in one financial institution, which is insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. From time to time, the balances may exceed amounts insured by the FDIC. The Company has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk on cash.

For the years ended December 31, 2025, 2024, and 2023, two franchisees accounted for approximately 74%, 79% and 82%, respectively, of total revenues. As of December 31, 2025, 2024, and 2023, two related party franchisees accounted for approximately 80%, 84%, and 83% respectively of franchisee receivable – related parties. As of December 31, 2025, 2024, and 2023, one customer accounted for 100% of accounts receivable.

## Member's Equity

The Company's profits and losses are allocated to the member. The member may make capital contributions to the Company at any time. The Company may make distributions of cash or property as deemed appropriate by the member.

## Leasing Activities

The Company had an operating lease for its corporate office located in Ybor City, Tampa, Florida. The lease had a remaining term of approximately five years, which included renewal options. During April 2023, the Company received a termination notice requiring the lease to be vacated. This lease was vacated during 2023, and the related right of use asset and operating lease liability were removed resulting in a gain on disposal of $17,489 included in operating expenses on the statements of income and changes in member's equity.

The Company entered into a consecutive sublease and lease of office space in Tampa, Florida in 2023. The office leases have a remaining term of approximately four years with the option to renew for an additional three years at the end of the lease term.

Approximate future minimum lease payments under non-cancellable operating leases as of December 31, 2025 are as follows:

| Year Ended | Operating Leases |
|---|---|
| 2026 | $ 75,617 |
| 2027 | 75,617 |
| 2028 | 6,301 |
| Total undiscounted cash flows | 157,535 |
| Less: present value discount | 4,432 |
| Total | $ 153,103 |

Operating lease expense was $73,902, $72,982, and $76,279 for the years ended December 31, 2025, 2024, and 2023, respectively, and is included in operating expenses on the statements of income and changes in member's equity.

The following summarizes additional information related to operating leases for the years ended December 31, 2025, 2024, and 2023:

| | **2025** | 2024 | 2023 |
|---|---|---|---|
| Operating cash flows from operating leases | **$ 72,997** | $ 71,970 | $ 75,793 |
| ROU assets obtained in exchange for new operating lease liabilities | **-** | - | 313,375 |
| Weighted-average remaining lease term in years for operating leases | **2.1** | 3.1 | 4.1 |
| Weighted-average discount rate for operating leases | **4.46%** | 4.46% | 4.46% |

## Related Party Transactions

All franchise stores in operation as of December 31, 2025, 2024, and 2023 are owned by related parties of the Company. There was $4,638,083, $3,677,786, and $3,552,527 of royalty revenue recorded for the years ended December 31, 2025, 2024, and 2023, respectively. There was $1,833,571, $1,418,646, and $1,626,935 of marketing revenue recorded for the years ended December 31, 2025, 2024, and 2023, respectively. Amounts due from franchisees were $335,872, $384,866, and $293,046 at December 31, 2025, 2024, and 2023, respectively.

The Company receives a rebate from a beverage vendor and distributes the rebate to franchisees. The amount due to franchisees related to this vendor rebate was $0, $0, and $130,145 at December 31, 2025, 2024, and 2023, respectively.

In August 2023, the Company entered into a management agreement with a related party. The Company earns a management fee calculated at 2% of net sales for that store. Revenue is earned in the period the sales occur. The Company also provided opening assistance to related party restaurants, which is included in management fee revenue. Management fee revenue for the years ended December 31, 2025, 2024, and 2023 was $173,304, $104,826, and $34,423, respectively.

The Company makes advances to related parties for working capital needs. Amounts due from related parties at December 31, 2025, 2024, and 2023 were $315,925, $311,175, and $0, respectively.

In 2023 and 2024, the Company collected local advertising funds on behalf of franchisees in accordance with their respective franchise agreements. These funds were reimbursed back to the franchisee upon approval of local marketing spend. The Company discontinued collecting local advertising funds during 2025. Amounts owed to franchisees related to local marketing reimbursement was $0, $153,392, and $63,004 at December 31, 2025, 2024, and 2023, respectively, and is included in accounts payable and accrued expenses on the balance sheets.

The Company used a related party for consulting and marketing services during the years ended December 31, 2025, 2024, and 2023. Total expense paid to this related party was $0, $20,006, and $11,020, respectively, and is included in advertising and marketing expenses in the accompanying statements of income and changes in member’s equity.

## Licensing Agreement

During 2014, the Company entered into a licensing agreement with Ford Motor Company for the rights to use the intellectual properties and trademarks of Ford Motor Company. The licensing agreement also allows the Company to sell licensed Ford products in their operations. The franchisees are responsible for paying royalties on a confidential fixed percentage of net sales as described in the licensing agreement. On a weekly basis, the Company receives the royalty payments from the franchisees and remits the amounts owed to Ford Motor Company quarterly. The Company has a payable to Ford Motor Company of $956,506, $813,389, and $614,346 as of December 31, 2025, 2024, and 2023, respectively.

**Licensing Agreement** (continued)

In March 2024, the licensing agreement with Ford Motor Company was amended, extending the term of the licensing agreement through December 31, 2033, with the option to renew annually for a period not to exceed 10 years from the first day of the succeeding contract year (as defined). The royalty paid to Ford Motor Company was also increased for future franchised stores as defined in the licensing agreement, which the franchisee pays to the Company, which is then remitted to Ford Motor Company.

In August 2025, the licensing agreement with Ford Motor Company was amended, extending the term of the licensing agreement through December 31, 2035, with the option to renew annually for a period not to exceed 10 years from the first day of the succeeding contract year (as defined). The royalty paid to Ford Motor Company for retail licensed products decreased to 2.00% of gross sales.

**Subsequent Events – Date of Management's Evaluation**

Management has evaluated subsequent events through the date of the Independent Auditor's Report, the date on which the financial statements were available to be issued.

In January 2026, the licensing agreement with Ford Motor Company was amended, extending the term of the licensing agreement through December 31, 2036, with the option to renew annually for a period not to exceed 10 years from the first day of the succeeding contract year (as defined) and expanding to international territories.

In January 2026, a franchisee location opened in Sanford, Florida.

In February 2026, the Company executed a note receivable agreement with a franchisee related to a restaurant location that is jointly owned by the Parent and a third party. The note totals $510,000 and bears interest at a fixed rate of 8% per annum. Monthly payments of principal and interest are required beginning in April 2026 and continuing through the note's maturity in March 2031. The note is secured by property specified in a separate security agreement.

## EXHIBIT E

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## EXHIBIT F

## OUTLETS AS OF DECEMBER 31, 2025

The list of our current Franchisees and Multi-Unit Developers are as follows:

**Franchisees:**

| Franchise Entity | Street | City | State | Zip | Phone |
|---|---|---|---|---|---|
| Fords Garage, LLC | 2207 First St | Fort Myers | FL | 33901 | 239-332-3673 |
| Fords Garage Cape Coral, LLC | 1719 Cape Coral Pkwy | Cape Coral | FL | 33904 | 239-540-3673 |
| Fords Garage Estero, LLC | 10801 Corkscrew Rd, Suite 519 | Estero | FL | 33928 | 239-495-3673 |
| Fords Garage Brandon, LLC | 11105 Causeway Blvd | Brandon | FL | 33511 | 813-661-3673 |
| Fords Garage Wesley Chapel, LLC | 25526 Sierra Center Blvd | Wesley Chapel | FL | 33559 | 813-540-3673 |
| Fords Garage Westchase, LLC | 10413 Sheldon Rd | Tampa | FL | 33626 | 813-616-3673 |
| FY Holdings St Petersburg, LLC | 200 1st Av S | St Petersburg | FL | 33701 | 727-295-3673 |
| Fords Garage Lakeland, LLC | 879 Lakeland Park Center Dr | Lakeland | FL | 33809 | 863-337-3673 |
| Fords Garage OPO, LLC | 8201 Vineland Ave. Suite 1801 | Orlando | FL | 32821 | 407-602-3673 |
| Fords Garage Hamlin, LLC | 5375 Hamlin Groves Trail | Winter Garden | FL | 34787 | 407-887-3673 |
| Fords Garage Estero, LLC | 3210 Margaritaville Blvd | Kissimmee | FL | 34747 | 407-815-3673 |
| Fords Garage St Augustine, LLC | 550 Outlet Mall Blvd Suite 200 | St. Augustine | FL | 32084 | 904-560-3673 |
| Fords Garage Daytona, LLC | 1495 Cornerstone Blvd | Daytona Beach | FL | 32117 | 386-614-3673 |
| Fords Garage Reunion, LLC | 8035 Osceola Polk Line Road | Davenport | FL | 33898 | 321-966-3673 |
| Fords Garage UTC, LLC | 295 N Cattlemen RD Unit #1 | Sarasota | FL | 34243 | 941-803-3673 |
| Fords Garage Oviedo, LLC | 495 E Mitchell Hammock RD | Oviedo | FL | 32765 | 407-213-3673 |
| Fords Garage Gainesville, LLC | 3650 SW 32nd Court #20 | Gainesville | FL | 32608 | 352-657-3673 |
| Fords Garage Viera, LLC | 5480 Lake Andrew Drive | Melbourne | FL | 32940 | 321-405-3673 |
| Fords Garage OIPO, LLC | 4971 International Dr | Orlando | FL | 32819 | 407-516-3673 |
| FGSF Plantation Walk, LLC | 301 N University Drive, STE 600 | Plantation | FL | 33324 | 754-714-3673 |
| Fords Garage Pier Park, LLC | 601 S Pier Park Dr. Suite 103 | Panama City Beach | FL | 32413 | 850-676-3673 |
| Garage Dearborn, LLC | 21367 Michigan Ave | Dearborn | MI | 48124 | 313-752-3673 |
| Garage Novi, LLC | 44175 W 12 Mile Road | Novi | MI | 48377 | 248-274-3673 |
| Tin Lizzie Restaurant One, LLC | 13193 Levinson Ln #100 | Noblesville | IN | 46060 | 317-878-3673 |
| Tin Lizzie Cincinnati One, LLC | 2692 Madison RD STE 115 | Hamilton | OH | 45208 | 513-643-3673 |

| | | | | | |
|---|---|---|---|---|---|
| Tin Lizzie Cincinnati Two, LLC | 4911 Houston Rd | Florence | KY | 41042 | 859-535-3673 |
| Tin Lizzie Cincinnati Three, LLC | 7515 Gibson Street | Liberty Township | OH | 45069 | 937-679-3673 |
| MS Garage Plano, LLC | 3904 Dallas Pkwy | Plano | TX | 75093 | 469-940-3673 |
| Fords Garage SP, LLC<br>Garage Utica, LLC | 11275 West Broad St<br>12575 Hall Road | Glen Allen<br>Utica | VA<br>MI | 23060<br>48317 | 804-478-3673<br>248-274-3673 |
| Tin Lizzie Lexington, LLC | 140 Rojay Drive | Lexington | KY | 40503 | 317-908-9912 |
| Tin Lizzie Avon, LLC | 10416 E US Hwy 36 | Avon | IN | 46123 | 317-908-9912 |
| Ford's Garage SH, LLC | 355 Smith Haven Mall | Lake Grove | NY | 11755 | 917-597-8213 |

## List of Multi-Unit Developers as of December 31, 2025

| Developer | Individual | Email Address | Phone |
|---|---|---|---|
| Garage Development, LLC | William T Downs III | bdowns@downsmgmt.com | 248-767-0034 |
| MBDev, LLC | Marc Brown | marc@23restaurants.com | 813-761-3752 |
| McGuigan Restaurant Concepts, LLC | Mike McGuigan | mike@mcguiganrestaurants.com | 239-822-1888 |
| SMI Properties Group, LLC | Steve Israel | smi53@aol.com | 917-597-8213 |
| FG Nova, LLC | Sunil Bastola | sunbastola@gmail.com | 301-473-3090 |
| SBR Hospitality, LLC | Baryalay Razi | brazimsr@gmail.com | 410-390-1222 |
| TIG Social, LLC | Jiger Patel | jiger@tigcorp.com | 215-783-8478 |
| TN legends, LLC | Ted Moats | tedm@moatsenterprises.com | 615-604-7173 |
| Quad Assembly, LLC | Mike Conatser | mikeconatser3253@gmail.com | 810-531-3680 |
| Six Stars Hospitality Group, LLC | Bob Cullen/Scott Bromm | cullenecc@hotmail.com | 920-378-0857 |

## List of Franchisees that Signed Franchise Agreements before December 31, 2025, but Outlet Not Yet Open as of December 31, 2025

| | | | |
|---|---|---|---|
| FG Nova, LLC | Sunil Bastola | sunbastola@gmail.com | 301-473-3090 |
| SBR Hospitality, LLC | Baryalay Razi | brazimsr@gmail.com | 410-390-1222 |
| TIG Social, LLC | Jiger Patel | jiger@tigcorp.com | 215-783-8478 |
| TN legends, LLC | Ted Moats | tedm@moatsenterprises.com | 615-604-7173 |

| | | | |
|---|---|---|---|
| Quad Assembly, LLC | Mike Conatser | mikeconatser3253@gmail.com | 810-531-3680 |
| Six Stars Hospitality Group, LLC | Bob Cullen/Scott Bromm | cullenecc@hotmail.com | 920-378-0857 |

**List of Franchisees that Signed Franchise Agreements after December 31, 2025, but Outlet Not Yet Open as of Issuance Date**

| Franchise Entity | Street | City | State | Zip | Phone |
|---|---|---|---|---|---|
| Ford's Garage Millsboro, LLC | 28362 Dupont Blvd | Millsboro | DE | 19966 | 813-761-3752 |

## FRANCHISEES & MULTI-UNIT DEVELOPERS WHO LEFT THE SYSTEM

**None.**

## EXHIBIT G

## STATE ADDENDA

### ILLINOIS ADDENDUM TO THE DISCLOSURE DOCUMENT

Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in the franchise agreement which designates jurisdiction or venue outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

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

Your right upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

FRANCHISOR:
VINTAGE HOSPITALITY GROUP, LLC

By:_____
Name:_____
Title:_____

FRANCHISEE:

By:_____
Name:_____
Title:_____

**ILLINOIS ADDENDUM TO THE FRANCHISE AGREEMENT and MUTLI-UNIT DEVELOPMENT AGREEMENT**

Illinois law governs the Agreements.

1. 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 arbitration to take place outside of Illinois.

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

3. 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.

4. Franchise Agreement, Article 21 and Multi-Unit Development Agreement, Article 7 are amended to state: "The integration clause/entire agreement to clarify that nothing in the Agreement or in any related agreement is intended to disclaim the representations we made in the franchise disclosure document."

FRANCHISOR:
VINTAGE HOSPITALITY GROUP, LLC

By:_____
Name:_____
Title:_____

FRANCHISEE:

By:_____
Name:_____
Title:_____

## MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

The following provisions amend anything to the contrary in Item 17 of the Franchise Disclosure Document:

1. A franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law (the "Maryland Law"), except for claims that are required to be submitted to arbitration.

2. Claims arising under the Maryland Law must be brought within 3 years after the grant of the franchise.

3. The provisions in the Franchise Agreement which provide for termination upon Franchisee's bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

4. A general release that is required as a condition of renewal, sale and/or assignment/transfer of the franchise shall not apply to any liability under Maryland Law.

5. Exhibit H Ford's Garage Acknowledgement Statement is not applicable.

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

7. Item 5 of the Disclosure Document is amended to state:

> "Based upon our financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until we complete our pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by multi-unit developers shall be deferred until the first franchise under the multi-unit development agreement opens."

**FIRST ADDENDUM TO**
**FRANCHISE CONTRACTS**
**FOR THE STATE OF MARYLAND**

This **FIRST ADDENDUM TO FRANCHISE CONTRACTS** ("Addendum") is made and entered into on _this day _____by and between Vintage Hospitality Group, LLC ("Franchisor") and _____("Franchisee"), subject to the following recitals:

**R E C I T A L S**

WHEREAS, Franchisee is a resident of the state of Maryland or a non-resident who is acquiring area development or franchise rights permitting use of the Ford's Garage System in operating one or more Ford's Garage Restaurants in the State of Maryland;

WHEREAS, the "Franchise Contracts" covered by this Addendum include all of the following contracts, copies of which are attached as exhibits to the Disclosure Document that Franchisor has delivered to Franchisee, i.e., the Multi-Unit Development Agreement ("MUDA"), Franchise Agreement and each contract that is an attachment to the MUDA and Franchise Agreement (collectively referred to as the "Franchise Contracts");

WHEREAS, to the extent that the parties enter into any of the Franchise Contracts now or in the future, they desire to amend the Franchise Contracts in order to conform them to the requirements of the Maryland Franchise Registration and Disclosure Law (the "Law").

WHEREAS, all capitalized terms in this Addendum shall have the same meaning assigned to them in the Franchise Contracts.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties, the parties agree as follows:

1. The above recitals are incorporated by the parties as part of their covenants and undertakings.

2. A general release that is required as a condition of renewal, sale and/or assignment/transfer of the franchise shall not apply to any liability under the Law.

3. All representations requiring a prospective franchisee to assent to a release, estoppel or waiver of any liability are not intended to, nor shall they act as, a release, estoppel or waiver of any liability uncured under the Law.

4. Franchisee may bring a lawsuit in Maryland for claims arising under the Law, except for claims that are required to be submitted to arbitration. As written, the Franchise Contracts do not provide for arbitration of disputes.

5. The parties amend any statute of limitations period in the Franchise Contracts to provide that any claims arising under the Law must be brought within 3 years after the effective date of the Franchise Agreement.

6. This Addendum shall be effective only to the extent that jurisdictional requirements of the Law are met independently of and without reference to this Amendment. This Addendum shall have no effect if the jurisdictional requirements of the Law are not met.

7. The Franchise Contracts, whether now existing or hereinafter entered into by the parties, shall be enforced in accordance with their terms, subject, however, to the terms of this Addendum.

8. Article 3 of the Franchise Agreement, and Article 3 of the Multi-Unit Development Agreement are amended to state:

"Based upon our financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until we complete our pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by multi-unit developers shall be deferred until the first franchise under the multi-unit development agreement opens."

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

IN WITNESS WHEREOF, the parties have executed this Addendum on the date first above written.

**FRANCHISOR:** **FRANCHISEE / DEVELOPER:**

**VINTAGE HOSPITALITY GROUP, LLC.** **[NAME OF FRANCHISEE / DEVELOPER]**

By:_____ By:_____

Name:_____ Name:_____

Title:_____ Title:_____

***NOT FOR USE IN CALIFORNIA**

## DISCLOSURES REQUIRED BY MICHIGAN LAW

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.

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, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

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 such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

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 subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of the 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 franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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 FRANCHISE DISCLOSURE DOCUMENT ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Michigan law provides that a franchisor whose most recent statements are unaudited and which show a net worth of less than $100,000 shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee or sub-franchisor until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow. In the event that an escrow is so established, the escrow agent shall be a financial institution authorized to do business in the State of Michigan. The escrow agent may release to the franchisor those amounts of the escrowed funds applicable to a specific franchisee or sub-franchisor upon presentation of an affidavit executed by the franchisee and an affidavit executed by the franchisor stating that the franchisor has fulfilled its obligation to provide real estate, improvements, equipment, inventory, training, or other items. This portion of the Michigan law does not prohibit a partial release of escrowed funds upon receipt of affidavits of partial fulfillment of the franchisor's obligation.

SHOULD THE PROSPECTIVE FRANCHISEE HAVE ANY QUESTIONS REGARDING THE NOTICE OF THIS FILING WITH THE ATTORNEY GENERAL, SUCH QUESTIONS SHOULD BE ADDRESSED TO:

Department of the Attorney General
Consumer Protection Division

***NOT FOR USE IN CALIFORNIA**

Antitrust and Franchise Section
PO Box 30213, Lansing, MI 48909
(517)373-7117

***NOT FOR USE IN CALIFORNIA**

## NEW YORK STATE ADDENDUM TO FDD

1. The following information is added to the cover page of the Franchise Disclosure Document:

   **INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR RESOURCES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

2. The following is to be added at the end of Item 3:

   Except as provided above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity

as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for a franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

   However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; this proviso intends that the non- waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "Termination by a franchisee": "You may terminate the agreement on any grounds available by law."
5. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum," and Item 17(w), titled "Choice of law":

   The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

***NOT FOR USE IN CALIFORNIA**

**VIRGINIA STATE ADDENDUM TO FDD**

1. 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 or the development 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.
2. Under subsection D of § 13.1-559 of the Virginia Retail Franchising Act, for all franchises located in Virginia, the franchise contract or agreement offered or entered into pursuant to terms of this chapter shall be governed by the laws of the Commonwealth of Virginia.
3. Under subdivision A 4 of § 13.1-563 of the Virginia Retail Franchising Act ("Act"), it is unlawful to offer or enter into a franchise agreement that restricts the right of a franchisee to engage in the business of offering, selling, or distributing goods or services at retail after termination or expiration of the franchise agreement. However, subsection B of § 13.1-563 of the Act provides that if a franchisee sells a franchise at a mutually agreed upon price to a third party or back to the franchisor, such sale may include a term restricting the right of such franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period of no more than two years after such sale.

***NOT FOR USE IN CALIFORNIA**

# EXHIBIT H

## FORD'S GARAGE ACKNOWLEDGMENT STATEMENT

**NOTICE FOR PROSPECTIVE FRANCHISEES WHO RESIDE IN, OR WHO INTEND TO OPERATE THE FRANCHISED BUSINESS IN, ANY OF THE FOLLOWING STATES : CA, HI, IL, IN, MD, MI, MN, NY, ND, RI, SD, VA, WA, WI (EACH A REGULATED STATE) :** FOR PROSPECTIVE FRANCHISEES THAT RESIDE IN OR ARE SEEKING TO OPERATE THE FRANCHISED BUSINESS IN ANY REGULATED STATE, DO NOT COMPLETE THIS ACKNOWLEDGMENT OR TO RESPOND TO ANY OF THE QUESTIONS CONTAINED IN THIS ACKNOWLEDGMENT.

Franchisee hereby acknowledges the following:

1. Franchisee has conducted an independent investigation of all aspects relating to the financial, operational and other aspects of the business of operating the Franchised Business. Franchisee further acknowledges that, except as may be set forth in Franchisor's Disclosure Document, no representations of performance (financial or otherwise) for the Franchised Business provided for in this Agreement has been made to Franchisee by Franchisor and Franchisee and any and all Principals hereby waive any claim against Franchisor for any business failure Franchisee may experience as a franchisee under this Agreement.

_____
Initial

2. Franchisee has conducted an independent investigation of the business contemplated by this Agreement and understands and acknowledges that the business contemplated by this Agreement involves business risks making the success of the venture largely dependent upon the business abilities and participation of Franchisee and its efforts as an independent business operation.

_____
Initial

3. Franchisee agrees that no claims of success or failure have been made to it or him or her prior to signing the Franchise Agreement and that it/she/he understands all the terms and conditions of the Franchise Agreement. Franchisee further acknowledges that the Franchise Agreement contains all oral and written agreements, representations and arrangements between the parties hereto, and any rights which the respective parties hereto may have had under any other previous contracts are hereby cancelled and terminated, and that this Agreement cannot be changed or terminated orally.

_____
Initial

4. Franchisee has no knowledge of any representations by Franchisor or its officers, directors, shareholders, employees, sales representatives, agents or servants, about the business contemplated by the Franchise Agreement that are contrary to the terms of the Franchise Agreement or the documents incorporated herein. Franchisee acknowledges that no representations or warranties are made or implied, except as specifically set forth in the Franchise Agreement. Franchisee represents, as an inducement to Franchisor's entry into this Agreement, that it has made no misrepresentations

in obtaining the Franchise Agreement.

_____
Initial

5. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received or relied upon, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by the Franchise Agreement.

_____
Initial

6. Franchisee acknowledges that Franchisor's approval or acceptance of Franchisee's Business location does not constitute a warranty, recommendation or endorsement of the location for the Franchised Business, nor any assurance by Franchisor that the operation of the Franchised Business at the premises will be successful or profitable.

_____
Initial

7. Franchisee acknowledges that it has received the Vintage Hospitality Group, LLC Franchise Disclosure Document with a complete copy of the Franchise Agreement and all related Attachments and agreements at least fourteen (14) calendar days prior to the date on which the Franchise Agreement was executed. Franchisee further acknowledges that Franchisee has read such Franchise Disclosure Document and understands its contents.

_____
Initial

8. Franchisee acknowledges that it has had ample opportunity to consult with its own attorneys, accountants and other advisors and that the attorneys for Franchisor have not advised or represented Franchisee with respect to the Franchise Agreement or the relationship thereby created.

_____
Initial

9. Franchisee, together with Franchisee's advisers, has sufficient knowledge and experience in financial and business matters to make an informed investment decision with respect to the Franchise granted by the Franchise Agreement.

_____
Initial

10. Franchisee is aware of the fact that other present or future franchisees of Franchisor may operate under different forms of agreement(s), and consequently that Franchisor's obligations and rights with respect to its various franchisees may differ materially in certain circumstances.

_____
Initial

***NOT FOR USE IN CALIFORNIA**

11. It is recognized by the parties that Franchisor is also (or may become) a manufacturer or distributor of certain products under the Marks licensed herein; and it is understood that Franchisor does not warrant that such products will not be sold within the Franchisee's Territory by others who may have purchased such products from Franchisor.

_____
Initial

12. BY EXECUTING THIS AGREEMENT, FRANCHISEE AND ANY PRINCIPAL, INDIVIDUALLY AND ON BEHALF OF FRANCHISEE'S AND SUCH PRINCIPAL'S HEIRS, LEGAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS, HEREBY FOREVER RELEASE AND DISCHARGE VINTAGE HOSPITALITY GROUP, LLC, ANY AFFILIATES, THE VHG INDEMNITIEES, AND ALL OF THEIR OFFICERS, DIRECTORS, SHAREHOLDERS, AGENTS AND SUCCESSORS AND ASSIGNS FROM ANY AND ALL CLAIMS, DEMANDS AND JUDGMENTS RELATING TO OR ARISING UNDER THE STATEMENTS, CONDUCT, CLAIMS OR ANY OTHER AGREEMENT BETWEEN THE PARTIES EXECUTED PRIOR TO THE DATE OF THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER PRESENTLY KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, ARISING UNDER THE FRANCHISE, SECURITIES, TAX OR ANTITRUST LAWS OF THE UNITED STATES OR OF ANY STATE OR TERRITORY THEREOF.

_____
Initial

THE PARTIES hereto, intending to be legally bound hereby have duly executed this Agreement.

| Vintage Hospitality Group, LLC | [FRANCHISEE] |
|---|---|
| By:_____ | By:_____ |
| Name Printed:_____ | Name Printed:_____ |
| Title:_____ | Title:_____ |

## State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii. Illinois, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

| State | Effective Date |
|---|---|
| California | |
| Hawaii | |
| Illinois | |
| Indiana | |
| Maryland | |
| Michigan | 06/25/2025 |
| Minnesota | |
| New York | |
| North Dakota | |
| Rhode Island | |
| South Dakota | |
| Virginia | |
| Washington | |
| Wisconsin | |

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plan

# RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If Vintage Hospitality Group, 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 requires you to receive this Franchise 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.

If Vintage Hospitality Group, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and to your state authority listed on Exhibit A.

The name and principal business address and telephone number of each franchise seller offering the franchise is:

| | | |
|---|---|---|
| Vintage Hospitality Group, LLC<br>(d/b/a Ford's Garage)<br>501 N Reo Street<br>Suite 102<br>Tampa, Florida 33609<br>813-761-3752 | | |

Issuance Date: APRIL 24, 2026
I received a Disclosure Document dated APRIL 24, 2026, that included the following Exhibits:

EXHIBIT A: List of State Franchise Administrators and Agents for Service of Process
EXHIBIT B: Franchise Agreement with Attachments
EXHIBIT C: Multi Unit Developer Agreement
EXHIBIT D: Financial Statements
EXHIBIT E: Operations Manual Table of Contents
EXHIBIT F: Outlets as of the date of this Disclosure Document
EXHIBIT G: State Addenda
EXHIBIT H: Ford's Garage Acknowledgement Statement

Date Received: _____ DATE: _____
(If other than date signed)

_____
(Signature of recipient)

_____
(Printed name of recipient)

_____

_____
Legal residence address

Please return signed receipt to **Vintage Hospitality Group, LLC**
501 N Reo Street, Suite 102, Tampa, Florida 33609

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(If other than date signed)

_____
(Signature of recipient)

_____
(Printed name of recipient)

_____

_____
Legal residence address

**KEEP THIS COPY FOR YOUR RECORDS**