

FRANCHISE DISCLOSURE DOCUMENT

Gofer Franchise Systems, LLC
a Connecticut limited liability company
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The franchise described in this Disclosure Document is to operate a retail store that sells proprietary “Gofer Ice Cream” brand premium soft-serve and hard ice cream, including fat free, low calorie selections, and assorted novelties.

The total investment necessary to begin operation of a Gofer Ice Cream franchise is \$229,000 to \$411,300. This includes \$25,000 that must be paid to the franchisor or an affiliate. The total investment necessary to begin operation of a Gofer Ice Cream area development business ranges from \$249,000 to \$456,300, for a required minimum of 3 Gofer Ice Cream Shops to be developed. This includes \$45,000 that must be paid to the franchisor or an affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive 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. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact John Jay Ragusa at 869 High Ridge Road, Stamford, Connecticut 06905 and (203) 559-9202.

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: March 22, 2022

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 D.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit E includes financial statements. Review these statements carefully.
Is the franchise system stable, growing or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Gofer Ice Cream business in my area?	Item 12 and the "territory" provisions in the franchise agreement and multi-unit operator 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 Gofer Ice Cream franchisee?	Item 20 or Exhibit D 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 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 and multi-unit operator agreement require you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Connecticut. Out-of-state 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 Connecticut than in your own state.
2. **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.
3. **Short Operating History.** The Franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history

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

GOFER FRANCHISE SYSTEMS, LLC
Franchise Disclosure Document

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

To simplify the language in this disclosure document, the terms “Franchisor”, or “we” or “us” means Gofer Franchise Systems, LLC, the Franchisor. The terms “we”, “us” and “Franchisor” do not include you, the “Franchisee”. We refer to the purchaser(s) of a Gofer franchise as “you” or “franchisee”, whether an individual, a partnership, corporation, or limited liability company. If you are a corporation, partnership or other entity, certain provisions of the Franchise Agreement and Area Development Agreement also will apply to your owners, officers and directors (“Owners” or “Principal Owners”). If you are married and your spouse is not a partner in the franchise business, certain provisions of our Franchise Agreement will also apply to that spouse.

We were formed as a limited liability company in the state of Connecticut on July 15, 2019. Our principal business address is 869 High Ridge Road, Stamford, Connecticut 06905, and our telephone number is 203-559-9202. We do business under our company name, “Gofer Ice Cream” and its associated logos and designs (the “Marks”). Our affiliate, Gofer Properties, LLC, has registered our marks on the Principal Register of the United States Patent and Trademark Office. We do not own or operate any businesses of the type you will be operating. We have not offered franchises in any other line of business. We only offer franchises which operate under the “Gofer Ice Cream” Marks. We began offering franchises on January 2, 2020.

Our agents for service of process in the states which require franchise registration are disclosed in Exhibit A.

Corporate History

We have no parent company.

We have an affiliated company, Gofer Ice Cream, LLC, a Connecticut limited liability company with a principal place of business at 869 High Ridge Road, Stamford, Connecticut 06905. Gofer Ice Cream, LLC was formed on September 30, 2002. Gofer Ice Cream, LLC operates three Gofer Ice Cream Shops similar to the one being franchised in Greenwich, Cos Cob and Stamford, Connecticut. Gofer Ice Cream, LLC has not offered franchises in this or in any other lines of business previously.

We have a second affiliated company, Gofer Properties, LLC, a Delaware limited liability company with a principal place of business at 869 High Ridge Road, Stamford, Connecticut 06905. Gofer Properties, LLC was formed on July 15, 2019, and is the owner of the Marks and has exclusively licensed use of the Marks to us. Gofer Properties, LLC has not offered franchises in this or in any other lines of business previously.

Our predecessor is Gofer Ventures Group, LLC, a Connecticut limited liability company formed on December 11, 2006. Their address was 750 Summer Street, Suite 603, Stamford, Connecticut 06901. Gofer Ventures Group, LLC sold three franchises from 2006 through 2016 when it ceased offering franchises. As of January 2, 2020 our predecessor ceased collection of royalty payments and all aspects of Franchise operations were taken over by us.

We may operate other Gofer Ice Cream concepts, including additional Gofer Ice Cream Shops in the future.

The Franchise Offered

We grant franchises for the right to operate a business offering proprietary “Gofer Ice Cream” brand soft-serve and hard ice cream (“Proprietary Products”), together with associated novelties (the “Other Products”) under the “Gofer Ice Cream Marks, using our distinctive operating procedures and standards in a limited protect territory and from a single location (a “Gofer Ice Cream Shop”). The distinguishing characteristics of a Gofer Ice Cream Shop include, but are not limited to, the Gofer Ice Cream distinctive trade dress, Proprietary Products, operations methods, inventory, procedures for management, training, advertising, and promotional programs, all of which may be changed, improved or further developed by us at any time (the “System”).

We also offer qualified individuals the right to open a minimum of three (3) Gofer Ice Cream Shops in a designated area under the terms of an area development agreement (the “Area Development Agreement”). You must sign the then-current form of franchise agreement for each Gofer Ice Cream Shop to be developed under the Area Development Agreement, which may differ from the current Franchise Agreement included with this Franchise Disclosure Document.

Market and Competition

The market for your Gofer Ice Cream Shop consists of the general public who seek soft-serve ice cream, hard ice cream, and associated novelties in a quick-serve setting. The market for ice cream shops is highly competitive with constantly changing market conditions. You will compete with businesses, including national, regional and local businesses, offering products and services similar to those offered by your Gofer Ice Cream Shop including other frozen dessert establishments that offer similar products. There are many other frozen dessert franchises, including other ice cream franchises, as well as independent businesses through the United States that may offer similar products and services to those offered by your Gofer Ice Cream Shop. The demand for the products and services offered by your Gofer Ice Cream Shop are also affected by changes in consumer tastes, demographics, and the products and services offered by your Gofer Ice Cream Shop are somewhat seasonal, typically selling better during warmer months.

Industry Specific Laws and Regulations

The jurisdiction where your Gofer Ice Cream Shop is located may require food safety certifications. You must comply with all laws and regulations for proper food storage, preparation, and service.

The U.S. Food and Drug Administration, the U.S. Department of Agriculture and state and local health departments administer and enforce laws and regulations that govern food preparation and service and foodservice establishment sanitary conditions. State and local agencies inspect foodservice establishments to ensure that they comply with these laws and regulations. Some state and local authorities have adopted, or are considering adopting, laws and regulations that could affect: the content or make-up of food served at your Gofer Ice Cream Shop, such as the level of trans fat contained in a food item; general requirements or restrictions on advertising containing false or misleading claims, or health and nutrient content on menus or otherwise, such as “low calorie” or “fat free”; and the posting of calorie and other nutritional information on menus.

You must comply with all local, state and federal laws and regulations that apply to the operation of your Gofer Ice Cream Shop, including, among others, business operations, insurance, discrimination, employment, health, sanitation and workplace safety laws. Your advertising of the Gofer Ice Cream Shop is regulated by the Federal Trade Commission. There may be federal, state and local laws which affect your Gofer Ice Cream Shop in addition to those listed here.

You should investigate whether there are any state or local regulations or requirements that may apply in the geographic area in which you intend to conduct business. You should consider both their effect

on your business and the cost of compliance. You are responsible for obtaining all licenses and permits which may be required for your business.

ITEM 2: BUSINESS EXPERIENCE

Founder and Managing Partner – John Jay Ragusa

Mr. Ragusa is our Founder and Managing Partner, a position he has held since the company's inception. Mr. Ragusa founded the Gofer Ice Cream concept in 2002, and since then has worked exclusively in developing the concept. Mr. Ragusa is the Founder and Managing Partner of our affiliate, Gofer Ice Cream, LLC, established in September 2002 and which operates our three corporate locations. He was also the Founder and Managing Partner of our predecessor, Gofer Ventures Group, LLC, from its inception in December 2006 through its cessation of offering franchises in 2017.

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

We will charge you an initial franchise fee ("Initial Franchise Fee") when you sign the Franchise Agreement. The Initial Franchise Fee is Twenty-Five Thousand Dollars (\$25,000). This payment is fully earned by us and due in lump sum when you sign the Franchise Agreement. The Initial Franchise Fee is not refundable under any circumstance.

We will charge you a development fee ("Development Fee") when you sign an Area Development Agreement. The Development Fee is an amount equal to \$25,000 for the first Gofer Ice Cream Shop you are to develop under the Area Development Agreement, plus \$10,000 multiplied by the number of additional Gofer Ice Cream Shops you agree to develop, with a minimum of three (3) Gofer Ice Cream Shops minimum.

The Development Fee is fully earned by us and due in lump sum when you sign the Development Agreement. The Development Fee is not refundable under any circumstance. Provided that you are in compliance with your development schedule and not in breach of the Area Development Agreement, we will grant you an applicable credit against the Initial Franchise Fee payable for each Franchise Agreement you sign for each Gofer Ice Cream Shop you are to develop under the Area Development Agreement.

From time to time, we may offer special incentive programs as part of our franchise development activities. We reserve the right to offer, modify or withdraw any incentive program without notice to you. We currently offer a twenty percent (20%) discount from the Initial Franchise Fee to existing franchisees in good standing who desire to open an additional outlet.

We do not charge a fee for you and your initial manager of your Gofer Ice Cream Shop to attend the initial training program. However, if you wish to send more than two people to initial training, or if you must send a substitute manager to initial training because the original manager failed to complete the training satisfactorily, you will bear the cost of the additional training. You must pay for all expenses of your trainees while at initial training, including travel, lodging, meals and wages.

ITEM 6: OTHER FEES¹

Name of Fee	Amount	Due Date	Remarks
Royalty Fee ²	5% of Gross Revenue ³ of the Gofer Ice Cream Shop	Payable weekly on Wednesday for Gross Revenues of the prior week	We require this fee to be paid via electronic funds transfer, which is set up when you sign your Franchise Agreement. We will debit your account on Monday of each week. Funds must be made available in your account for withdrawal. We may require payment other than by automatic debit, and you must comply with our payment instructions.
Brand Fund Contribution ⁴	Up to 2% of Gross Revenue. The current Brand Fund contribution is 1% of Gross Revenues	Payable weekly on Wednesday for Gross Revenues of the prior week.	Brand Fund contributions are paid directly to the Brand Fund.
Local Advertising	1% of your Gross Revenues less amounts contributed to a Local Advertising Cooperative (see below)	Must be spent each year	You must submit annual reports documenting your expenditures for the last twelve months period.
Local Advertising Cooperative ("LAC") ⁵	If established, 1% of Gross Revenue	As designated by Local Advertising Cooperative	This 1% LAC contribution, if established, will replace the Local Advertising 1% requirement.
Transfer Fee (Franchise Agreement)	\$5,000	Before consummation of transfer	Payable when the Franchise Agreement, or a Principal Owner's interest or a controlling interest in you is transferred. We do not impose a fee for a one time transfer to a corporate entity you form for the convenience of ownership.
Transfer Fee (Area Development Agreement)	50% of the Development Fee	Before consummation of the transfer	We may require an Area Developer to transfer all of the Franchised Restaurants owned and operated by it as a condition of our approval of the transfer
Successor Agreement Franchise Fee	\$1,000	Upon signing the franchise agreement for your renewal franchise	This Fee is imposed at the time the renewal franchise is granted.
Inspection and Testing	Actual cost of inspection or testing	As incurred	We may require you to pay us or an independent laboratory for the cost of inspection or testing if you purchase or lease items used in the Shop from sources we have not previously approved (see Item 8).

Audit Expenses	Cost of audit will vary depending on the circumstances	As incurred	Payable only if our audit of your books and records reveals an understatement of your Gross Revenue greater than 2% or if our audit is made necessary by your failure to furnish reports.
Interest	Highest legal rate or 2% above the prime rate, whichever is less	As incurred	Payable on all amounts due us or our affiliates after due date.
Costs and Legal Fees	Our costs and expenses, including, but not limited to attorneys' fees, incurred for your failure to pay amounts when due or failure to comply in any way with the Franchise Agreement	As incurred	Payable to us.
Indemnification	Amount of loss or damages plus costs.	As incurred	You must reimburse us if we are held liable for certain claims. ⁶
Insurance Costs	Amount paid by us for your insurance obligations	As incurred	You must reimburse us for any insurance costs and other fees we incur due to your failure to meet the insurance obligations required by the Franchise Agreement.
Manager Training	\$5,000, plus the manager's expenses in attending training, including travel, lodging, meals and wages	As incurred prior to training replacement manager	You must pay all expenses for yourself and your initial Shop manager to attend our initial training. If you hire a new or replacement General Manager after the Gofer Ice Cream Shop opens, you will pay a fee to us to train the new or replacement manager in addition to his/her expenses for attending training.
Additional Training	Our per diem rate plus reimbursement of our costs	As incurred	Payable if you request additional training, or we determine it is necessary.
Liquidated Damages	Royalty Fees and Brand Fund Contributions for 2 years or the balance of the Term, whichever is longer	Upon termination of the Franchise Agreement due to your default	You must pay us the average monthly Royalty Fee and Brand Fund Contribution payable by you for the 12 months prior to your default multiplied by the greater of (a) 24 (being two full years) or (b) the number of months remaining in the term of your Franchise Agreement
Prohibited Product or Service Fine	\$250 per day of use of unauthorized products or services	As incurred.	In addition to other remedies available to us.
Gift Card Program	See Note 7		

Website Maintenance	To be determined	To be determined	If we develop a program for providing our franchisees with individual web pages on our website, we may charge each franchisee a fee to maintain these services
Technology Fee	Currently \$60per week, subject to increase.	Weekly via ACH	Payable to us. Weekly fee is for access to Gofer University learning management software, StaffWire scheduling and communication software, Gofer Mail, the Gofer Network Intranet, rewards program software, system gift card administration, royalty collection software, wire transfer fees and Franchisee bench-marking software.
Late Fee	\$100 per week, per overdue report	On demand	If you do not provide any of the reports on time, we can charge you a late fee of \$100 per week for each report that is overdue

1. Except as noted all fees are imposed by and payable to us. All fees paid to us are non-refundable.
2. As described in Item 1, you must execute the form of Franchise Agreement we use in offering and granting franchises in the United States. The form in use at the time the Franchise Agreement is executed may vary substantially from that described in this Disclosure Document.
3. The term “Gross Revenue” includes all revenues and income from any source derived or received by Franchisee from, through, by or on account of the operation of your Gofer Ice Cream Shop or made pursuant to the rights granted hereunder, including but not limited, any and all other revenues received using Franchisor’s methods, operations and/or trade secrets whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise. Gross Revenue shall include the full amount payable by your customers, without deduction for your delivery costs or for other write-offs; however, Gross Revenue shall not include (i) any sales tax or similar taxes collected from customers and turned over to the governmental authority imposing the tax, (ii) properly documented refunds to customers, or (iii) properly documented promotional discounts (i.e. coupons). Gross Revenue does not include gift card purchases, at the time of purchase, but Gross Revenue does include the redemption amount of purchases made by gift card.

If you do not report the Shop’s Gross Revenue, we may debit your account for 120% of the last Royalty and National Creative Fund Contribution that we debited. If the Royalty and National Creative Fund Contribution we debit are less than the Royalty and National Creative Fund Contribution you actually owe us, once we have been able to determine your true and correct Gross Revenue, we will debit your account for the balance on a day we specify. If the Royalty and National Creative Fund Contribution we debit are greater than the Royalty and National Creative Fund Contribution you actually owe us, we will credit the excess against the amount we otherwise would debit from your account during the following month.

4. Brand Fund contribution payments are due at the same time and in the same manner as Royalty Fees. You are required to set up authorization at your bank to allow the Brand Fund to electronically transfer funds for your bank account to the Brand Fund’s bank account. Interest and late fees will apply to any late payments or electronic funds transfer requests denied due to insufficient funds. If

you do not report any sales in a month, then the Brand Fund will collect 120% of the last Brand Fund contribution collected and settle the balance the next month in which you report sales.

5. We may establish a local advertising cooperative (“LAC”) for geographic areas that encompass two or more Gofer Ice Cream Shops. If we notify you, you must participate in a LAC for the area that encompasses the Shop, and sign any agreements required by the LAC. Amounts you pay to the LAC will be credited toward your local advertising requirement, but if the amount you contribute to a LAC is less than the amount you must spend on local advertising, you must still spend the difference locally.
6. You must indemnify and hold us, our affiliates, and all of our respective officers, directors, agents and employees harmless from and against any and all claims, losses, costs, expenses, liability and damages arising directly or indirectly from, as a result of, or in connection with your business operations under the Franchise Agreement, as well as the costs, including attorneys’ fees, of defending against them.
7. You must participate in our Gift Card program. Gift Cards will be available for sale and redemption at any Gofer Ice Cream Shop in the System. We will receive the revenue from the sale of all gift cards, and reimburse you, on a monthly basis, the net proceeds as the gift cards are received.

ITEM 7: ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Item	Estimated Cost	When Payable	Method of Payment	To Whom Payment is Made (Note 1)
Initial Franchise Fee (Note 2)	\$25,000	Lump sum payment upon signing the Franchise Agreement	Lump sum payment upon signing the Franchise Agreement	Us
Leasehold Improvements (Note 3)	\$75,000 to \$190,000	As arranged	As arranged	Independent contractors, Lessor
Furniture, Fixtures and Equipment (Note 4)	\$94,000 to \$108,000	As arranged	As arranged	Suppliers
Office Equipment, Computer and Supplies (Note 5)	\$250 to \$1,000	As incurred	As arranged	Suppliers
POS System Hardware and Software (Note 6)	\$2,000-\$2,500	As arranged	As arranged	Suppliers
Signage (Note 7)	\$4,500 to \$6,000	As arranged	As arranged	Suppliers
Blue Prints, Business Licenses & Permits (Note 8)	\$4,000 to \$8,000	As incurred	As arranged	Local and other state government agencies
Professional Fees (Note 9)	\$3,000 to \$6,000	As arranged	As arranged	Various service providers and contractors

Rent Per Month (Note 10)	\$3,000 to \$6,000	As arranged	As arranged	Lessor
Initial Inventory of Food and Paper Supplies (Note 11)	\$2,500 to \$4,000	As incurred	As arranged	Approved suppliers
Security Deposits (Note 12)	\$6,000 to \$16,500	As arranged	As arranged	Lessor, Utility Companies
Insurance Per Month (Note 13)	\$500 to \$800	As arranged	As arranged	Insurance providers
Grand Opening Advertising (Note 14)	\$1,000 to \$2,000	As arranged	As arranged	Suppliers
Training Expenses (Note 15)	\$3,000 to \$5,000	Payment terms arranged with suppliers and your employees	As arranged	Suppliers and your employees
Uniforms (Note 16)	\$250 to \$500	As arranged	As arranged	Suppliers
Additional Funds (for initial period of operations) (Note 17)	\$5,000 to \$30,000	As needed	As arranged	Us, suppliers, employees and other creditors
TOTAL ESTIMATED INITIAL INVESTMENT	\$229,000 to \$411,300			

In general, none of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable. We do not finance any portion of your initial investment.

Explanatory Notes

1. **General** – We do not impose or collect the fees or costs described in this Item, except for the items noted with “Us” in the column labeled “To Whom Payment is Made.” Except as described below, all fees and amounts that you must pay to us are non-refundable. For any amounts paid to third parties, the availability and conditions under which you may obtain refunds will depend on the terms offered by those third party suppliers. Our estimates in this Item are based on our current prototype for Gofer Ice Cream Shops, our Affiliate’s experience in developing and operating Gofer Ice Cream Shops, and our knowledge of business practices and conditions in the general marketplace.
2. **Initial Franchise Fee** – The Initial Franchise Fee is payable in full when you sign the franchise agreement and is not refundable. If you sign an Area Development Agreement, you will have to pay a Development Fee. A portion of the Development Fee will be credited against the Initial Franchise Fee for the Gofer Ice Cream Shop to be developed in order to satisfy the Development Schedule.
3. **Leasehold Improvements** – You will need to employ a qualified licensed general contractor to construct the improvements to, or “build out,” the premises which we will approve and at which you will operate the Gofer Ice Cream Shop. Our estimates are based on the assumption that the location is between 1,000 to 1,400 square feet, and that your lessor will provide a shell space that includes a level concrete floor suitable for floor covering, demising walls, and air-conditioning, electricity, gas, sewers, bathroom facilities, and water and plumbing suitable for a retail business. Among other things, you will probably need to arrange for the following items to meet our standard

plans and specifications: proper wiring and plumbing, floor covering, wall covering, partitions, lighting and fixtures, storefront modifications, painting, cabinetry, and the like. Costs will vary depending upon factors including: the geographic location of your business; the size of the premises; the availability and cost of labor and materials; and the condition of the premises and the work that the lessor will do as a result of the lease negotiations. Lessors may, instead of actually doing some of the work, provide you with credits towards your future rent payments and/or a tenant improvement allowance.

4. Furniture, Fixtures and Equipment – You must purchase all fixtures, furnishings, equipment, signage and supplies that we specify. These estimates include furniture and fixtures required for a Gofer Ice Cream Shop, including freezer cases, Taylor soft serve ice cream machines, scoopers, blenders, mixers, warmers, and smallwares.
5. Office Equipment and Supplies – These amounts include costs of your office furniture, office safe, filing cabinet and miscellaneous office supplies, equipment, and back-office computer. The low end of this estimate assumes you already have a back-office computer which meets our specifications.
6. POS System Hardware and Software – You must purchase or lease specified point of sale system, along with required third party software necessary to operate the Gofer Ice Cream Shop. The estimate includes the costs for the items that we currently require. We may periodically require franchisees to update their POS System to our then-current standards.
7. Signage – The estimates include the costs for interior and exterior signage. The cost of signage may vary significantly depending on the location of your Gofer Ice Cream Shop, market conditions and local codes. In some instances, the use of additional or larger signage may be possible, with our prior written approval. The costs of these optional items are not included in the line item total above.
8. Blue Prints, Business Licenses and Permits – You must retain the services of a qualified architect, who we have approved or designated for use by our franchisees, to adapt our standardized plans and specifications based on our Affiliate’s prototype(s) of Gofer Ice Cream Shops for the remodeling or finish-out of your Shop. As described in Item 11, we may periodically develop or approve variations with respect to our prototype locations and plans. These estimates also include permits and licensing that may be required by local and state governments. Local, municipal, county and state regulations vary on the licenses and permits you will need to operate a Gofer Ice Cream Shop. You will pay these fees to governmental authorities before starting business.
9. Professional Fees – The estimate assumes that you will employ an attorney to help you negotiate your lease for the Gofer Ice Cream Shop premises. In addition, you may choose to employ an attorney, accountant, and other consultants to help you evaluate our franchise offering and your establishment of a new business, and in obtaining all required permits and licenses to establish and operate the Gofer Ice Cream Shop. You may also form a corporation or other entity to operate the business. Your actual costs may vary substantially, for example, depending on the degree to which you rely upon your advisors and upon the licensing requirements that may apply to your Gofer Ice Cream Shop.
10. Rent – If you do not own a location for your Gofer Ice Cream Shop, you must purchase or lease a space. Locations for Gofer Ice Cream Shops will typically need approximately 1,200 square feet. The estimate in the chart above includes your first month’s rent payment. The estimates do not include a security deposit or real estate taxes. The requirement to make, and the amount of, security deposits will depend on a variety of factors, including your credit and financial condition. The estimates assume that rent begins when the Gofer Ice Cream Shop opens. You will need to lease a space in advance to build-out the Gofer Ice Cream Shop. However, you may attempt to negotiate an abatement from the lessor for this period.

We anticipate that Gofer Ice Cream Shops will typically be located in retail strip shopping centers, although free standing and downtown locations will be considered if they are in areas of high traffic in urban and suburban areas, and preferably near large residential communities, office buildings and other commercial areas. Rent varies considerably from market to market, and from location to location within each market. Rents may vary beyond the range that we have provided, based on factors such as market conditions in the relevant area, the type and nature of improvements needed to the premises, the size of the site for the Gofer Ice Cream Shop, the terms of the lease, the desirability of the location, and your ability to negotiate with your lessor.

The estimates assume that you will lease the premises for your Gofer Ice Cream Shop and, therefore, do not include costs related to the purchase of land or the construction of any buildings. If you decide to purchase the property for the location of your Gofer Ice Cream Shop, you will incur additional costs that we cannot estimate.

11. Initial Inventory of Food and Paper Supplies – These expenses include an initial inventory of Proprietary Products and Other Products, as well as an initial inventory of paper goods and supplies. You will need to replenish your initial inventory on an as needed basis and food items and other supplies are used. Our Affiliate's Gofer Ice Cream Shops typically place orders for replacement items two or more days per week. The amount and cost of your initial and subsequent orders for all of these items will vary depending on various factors, including the size and anticipated volume of your Gofer Ice Cream Shop's sales and the frequency of your orders.
12. Security Deposits – These estimates are for your deposits on the premises for your Gofer Ice Cream Shop as well as deposits for utilities (e.g., gas, telephone, electricity and water).
13. Insurance – You must obtain and maintain at your own expense the insurance coverage that we and the Gofer Ice Cream Shop's lease periodically require and you must meet the other insurance-related obligations in the Franchise Agreement. As of the date of this Disclosure Document, we require you to maintain (1) comprehensive general liability insurance for bodily injury, death and property damage, and including employment practices coverage, caused by the Gofer Ice Cream Shop's operation; (2) all risk property and casualty insurance for the replacement value of the Gofer Ice Cream Shop and its contents; (3) business interruption insurance; (4) products liability insurance; (5) plate glass insurance, if applicable; (6) worker's compensation insurance and all other insurance required by law; and (7) any insurance required by the terms of the lease for the Shop. We may require you to obtain insurance coverage for other risks or increase the required amount of coverage and require different or additional insurance during the Franchise Agreement term. Premiums depend upon the insurance carrier's charges, terms of payment and your history. Each insurance policy must: (1) name us as an additional named insured and contain a waiver of all subrogation rights against us; (2) provide for 30 days' prior written notice to us of any material modification, cancellation, or expiration of the policy; (3) provide that coverage applies separately to each insured against whom a claim is brought; (4) contain no provision which limits coverage in the event of a claim by a party who is indemnified under the Franchise Agreement; (5) be primary; and (6) extend to and provide indemnity for all obligations assumed by you under the Franchise Agreement. We must approve your insurance carriers. Under the Area Development Agreement, in addition to the insurance required to be maintained pursuant to your Franchise Agreements, you must maintain the insurance coverage that we periodically require and meet the other insurance-related obligations in the Area Development Agreement. You currently must maintain comprehensive general liability insurance for bodily injury, death and property damage, and including employment practices coverage, caused by or occurring in conjunction with the conduct of your business under the Area Development Agreement and broad form contractual liability coverage. You must also have worker's compensation insurance and all insurance required by law. We may require you to obtain insurance coverage for other risks or increase the required amount of coverage and require different or additional insurance. Each insurance policy required under the

Area Development Agreement must meet the same requirements described above for policies pertaining to the Franchise Agreement. We must approve your insurance carriers.

14. Grand Opening Advertising – This advertising and marketing promotion is intended to provide initial awareness and momentum for your new Gofer Ice Cream Shop. You must spend a minimum of between \$1,000 and \$2,000 on this advertising.
15. Training Expenses – You will incur expenses associated with our training program. For this training program, we provide instructors and instructional materials at no charge for you and one manager, but you must pay for transportation, lodging, food and wages for your trainees. The low end of the estimate assumes that the trainees are within driving distance to the training location, and the high end assumes that other travel will be needed, and includes travel expenses, although these may vary significantly depending upon factors such as the distance traveled and mode of transportation. Your costs will also vary depending on the nature and style of accommodations, and the number of persons who will attend training.
16. Uniforms – You must purchase and have your employees wear the uniforms we designate.
17. Additional Funds – You will need additional capital to support on-going expenses, such as payroll and utilities, if these costs are not covered by sales revenue. New businesses often generate a negative cash flow. We estimate that the amount given will be sufficient to cover on-going expenses for the start-up phase of the business, which we calculate to be three months. This is only an estimate, however, and there is no assurance that additional working capital will not be necessary during this start-up phase or after. Your actual costs for your build-out may vary considerably, depending, for example, on factors such as: local economic conditions; the local market for the Products; the prevailing wage rate; union labor; competition; the sales level achieved during the initial period of operation; and your management and training experience, skill, and business acumen. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. You should take into account the cash outlays and probable losses that you may incur while you are trying to get established. These are only estimates and your costs may vary based on actual rental prices in your area, and other site-specific requirements or regulations. The costs outlined in this Item 7 are not intended to be a forecast of the actual cost to you or to any particular franchisee.

We have not included a separate table for the initial investment if you sign an Area Development Agreement. Other than the initial fee for the Area Development Agreement, actual start-up costs pertaining to the actual Gofer Ice Cream Shops opened under the Area Development Agreement are as estimated above, subject to potential increases over time or other changes in circumstances. If you execute an Area Development Agreement, your professional fees such as legal and financial may be higher.

ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We have identified various suppliers, distributors and manufacturers of equipment, inventory, and services that your Gofer Ice Cream Shop must use or provide which meets our standards. You must purchase all equipment, fixtures, inventory, suppliers and services from our designated suppliers and contractors or in accordance with our specifications. Your soft-serve ice cream equipment must be Taylor brand. We maintain written lists of approved items of equipment, fixtures, inventory, supplies and services (by brand name and/or standards and specifications) and a list of designated suppliers and contractors for those items. We will update these lists and issue the updated lists to all franchisees.

We approve suppliers after careful review of the quality of the products they provide to us and our franchisees. If you would like us to consider another item or supplier, you must make such request in writing to us and have the supplier give us samples of its product or service and such other information that we may require. If the item and/or supplier meets our specifications, as we determine in our sole discretion, we will

approve it as an additional item or supplier. We will make a good-faith effort to notify you whether we approve or disapprove of the proposed item or supplier within 30 days after we receive all required information to evaluate the product or service. If we do not approve any request within 30 days, it is deemed unapproved. We reserve the right to revoke our approval of any item or supplier that does not continue to meet our then-current standards. Our criteria for approving items and suppliers are not available to you. If you request that we approve a proposed item or supplier, we may charge for actual costs incurred for product testing and evaluation.

Neither we nor any affiliate are the sole approved or designated supplier for any product, good or service that you are required to purchase for the operation of your Gofer Ice Cream Shop. None of our officers own any interest in any approved or designated supplier for any product, good or service that you are required to purchase for the operation of your Gofer Ice Cream Shop.

We and/or our affiliates may receive revenues, rebates, discounts or other material consideration from suppliers based on your required purchases of products, supplies or equipment. Currently, we receive rebates of 0% to 5% of franchisee required purchases from designated vendors of ice cream products. For the fiscal year ended December 31, 2021, we had a total revenue of \$163,912 of which \$15,765 (less than 1%) was from sales of products to our franchisees. We may contribute all or a portion of any rebates to the Brand Fund, in our discretion but have no obligation to do so.

We estimate that your purchase or lease of products, supplies and services from approved suppliers (or those which meet our specifications) will represent approximately 72% to 78% of your costs to establish your Gofer Ice Cream Shop and approximately 75% to 85% of your costs for ongoing operation.

Currently, there are no purchasing or distribution cooperatives. However, we can require that you make your purchases through a cooperative if one is formed.

From time to time, we may negotiate purchase arrangements, including price terms, with designated and approved suppliers on behalf of all franchisees. We have negotiated purchase arrangements, including preferential price and service terms, with certain of our designated and/or approved suppliers on behalf of all franchisees.

We provide no material benefits (such as the grant of additional franchises) based on your use of designated sources; however, failure to use approved items or designated suppliers and contractors may be a default under the Franchise Agreement. Additionally, where there is any default under the Franchise Agreement, we reserve the right, in addition to other remedies available under the Franchise Agreement, to direct suppliers to withhold furnishing products to you.

ITEM 9: FRANCHISEE'S OBLIGATIONS

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

Obligation	Section or Article in Franchise Agreement	Section or Article in Area Development Agreement	Item in Franchise Disclosure Document
(a) Site selection and acquisition/lease	8.1	Not Applicable	11
(b) Pre-opening purchases/leases	8.3, 10.5, 12.3.1	Not Applicable	7, 11
(c) Site development and other pre-	8.2, 8.3, 12.1.1, 12.1.3	Article 5	11

opening requirements			
(d) Initial and ongoing training	Article 7	5.6	11
(e) Opening	8.2.3, 8.3	Not Applicable	11
(f) Fees	5.1, 5.2.7, Article 6, 12.3.7, 12.6, 15.6, 16.4, 18.1.4, 18.1.5, 18.1.8, 19.1.5	Article 4	5, 6, 7
(g) Compliance with standards and policies/Operations Manual	Article 9, 12.1, 19.1.1	Not Applicable	8, 11
(h) Trademarks and proprietary information	9.4, 12.1.8, Article 14, 19.2, 19.3, 19.4	Not Applicable	13, 14
(i) Restrictions on products/services offered	12.1.1, 12.1.4, 12.6	Not Applicable	8
(j) Warranty and customer service requirements	Not Applicable	Not Applicable	Not Applicable
(k) Territorial development and sales quotas	13.2	Article 5	12
(l) On-going product/service purchases	12.1.4, 12.3.5	Not Applicable	8
(m) Maintenance, appearance and remodeling requirements	Article 9, 12.1.2, 12.1.5, 12.1.9	Not Applicable	11
(n) Insurance	Article 15	Not Applicable	7
(o) Advertising	12.1.9, Article 13	Not Applicable	6, 11
(p) Indemnification	15.6, 16.3.6, 21.1	Article 9	14
(q) Owner's participation/manage ment/ staffing	11.1, 11.3, 12.1.6	5.6	11, 15
(r) Records/reports	12.2	Not Applicable	6
(s) Inspections/audits	9.2, 12.1.7, 12.2.5	Not Applicable	6, 11
(t) Transfer	Article 16	Article 6	17
(u) Renewal	Article 5	Not Applicable	17
(v) Post-termination obligations	Article 18	Article 8	17
(w) Non-competition covenants	19.5	Article 8	17
(x) Dispute resolution	Article 20	Article 10	17
(y) Liquidated Damages	Section 19.7 of Franchise Agreement		Item 6

(z) Guaranty	11.2.6, Exhibit F	Not Applicable	15
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ITEM 10: FINANCING

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

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

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

Pre-Opening Obligations & Obligations After Opening

Before you open the Gofer Ice Cream Shop, we will:

- (1) provide you with site selection guidelines and accept a location for your Gofer Ice Cream Shop. Within six (6) months of signing the Franchise Agreement, you must submit a written request for acceptance to us describing the proposed location and providing other information about the site that we reasonably request. We will respond within thirty (30) days either accepting or rejecting the proposed location. If we do not respond within thirty (30) days, the location is deemed rejected. We consider the following factors in accepting a site: demographic characteristics of the proposed site, traffic patterns, parking, the predominant character of the neighborhood, competition from other businesses providing similar services within the area (including other Gofer Ice Cream Shops), the proximity to other businesses, the exclusivity granted to our area developers, the nature of other businesses in proximity to the site, the purchase price or lease terms for the proposed site and other commercial characteristics, the size of the premises, appearance, and other physical characteristics of the proposed site. If you do not identify a site that meets our acceptance within six (6) months of signing the Franchise Agreement, we reserve the right to terminate the Franchise Agreement. We will not own and/or lease a site to you. You are responsible for negotiating a purchase or lease with the owner of a site we accept. (Franchise Agreement – Sections 8.1.1, 8.1.2, 10.1)
- (2) we will not own and/or lease a site to you. You are responsible for negotiating a purchase or lease with the owner of a site we accept. Prior to signing your lease, you are required to submit it to us for our review and approval. Our review is for inclusion of terms for the protection of the System and Marks only. (Franchise Agreement – Sections 8.1.3)
- (3) provide you with prototypical plans and specifications for the layout, design, appearance, and signage for your Gofer Ice Cream Shop. You, your architect and your contractor are required to adapt our prototypical plans and specifications for the construction of your premises and obtain permits. We will approve your plans and specifications if they meet our requirements. We do not adapt plans or obtain permits for you. (Franchise Agreement – Section 10.2.)
- (4) loan to you the Gofer Ice Cream Operating Manual and other manuals and training aids we designate for use in the operation of your Gofer Ice Cream Shop, as they may be revised from time to time. (Franchise Agreement – Section 10.3.)

- (5) provide you with initial training at our headquarters and/or an affiliate- or franchisee-owned outlet. We will determine, in our sole discretion, whether you satisfactorily complete the initial training. (Franchise Agreement – Section 7.1, 7.2.)
- (6) approve or disapprove the grand opening advertising and promotional program you must conduct for the Gofer Ice Cream Shop during the 30 days before and 30 days after its opening. (Franchise Agreement – Section 13.2.3.)
- (7) provide a written list of equipment, fixtures, furnishings, signage, supplies and products that will be required to open your Gofer Ice Cream Shop. (Franchise Agreement – Section 10.7.)
- (8) provide you with standards for qualifications and training of your employees. We do not otherwise assist you with employee hiring and training (Franchise Agreement – Section 12.1.6.)

During your operation of the Gofer Ice Cream Shop, we will do the following:

- (1) offer from time to time, in our discretion, mandatory or optional additional training programs. If we require it, you must attend mandatory additional training offered by us for up to five (5) days each year at a location we designate and attend an annual business meeting or franchisee conference for up to five (5) days each year at a location we designate. Failure to attend mandatory additional training or an annual business meeting or conference is a default of the Franchise Agreement. We reserve the right to impose a reasonable fee for tuition and/or attendance for all additional training programs, including the annual business meeting or conference. You must also pay your transportation, lodging, meals, and other expenses to attend any mandatory training program. If you fail to attend any mandatory training program, you are required to obtain the training at a location we designate, at your sole cost, which includes tuition at the then-current rate, plus all of your travel costs and our trainer's travel costs. (Franchise Agreement – Section 7.4.)
- (2) upon your request, or as we determine to be appropriate, provide remedial on-site training and assistance at your Gofer Ice Cream Shop. For any on-site remedial training, you must reimburse all costs for the services of our trainer, including but not limited to the trainer's then-current per diem fee and all travel-related expenses, such as transportation, meals and lodging. (Franchise Agreement – Sections 7.5.)
- (2) upon your request, provide individualized assistance to you within reasonable limits by telephone, fax, electronic mail or postage service, subject at all times to availability of our personnel and in reasonable limits (Franchise Agreement – Section 7.6.)
- (3) conduct inspections of your Gofer Ice Cream Shop, at the frequency and duration that we deem advisable. Such inspections include evaluating your products, service and premises to ensure that they meet our standards. (Franchise Agreement – Section 10.6.)
- (4) provide you with any written specifications for required equipment, fixtures, products and services and provide you with updated lists of any approved suppliers of these items. (Franchise Agreement – Section 10.9.)
- (5) provide on-site training, supervision and assistance for up to five (5) days during the opening of your Gofer Ice Cream Shop. (Franchise Agreement – Section 7.3.)
- (6) approve or disapprove of all advertising, direct mail, and other promotional material and campaigns you propose in writing to us. We will respond within fifteen (15) days, either accepting or rejecting the proposed material and/or campaign; however, if we do not

respond within fifteen (15) days, the proposed material and/or campaign is deemed “disapproved”. (Franchise Agreement – Section 13.6.)

- (7) from time to time, as may become available, provide you with samples or digital artwork, advertising and promotional materials (Franchise Agreement – Section 10.8.)

Local Advertising (Franchise Agreement – Sections 13.2 and 13.6)

We require you to spend at least a minimum of \$1,000 to \$2,000 in opening advertising and promotional activities for at least thirty (30) days following the opening of your Gofer Ice Cream Shop in the Territory. Thereafter, you are required to spend at least one percent (1%) of monthly Gross Revenue on local advertising to promote your Gofer Ice Cream Shop. Upon our request, you must furnish us with a quarterly report and documentation of local advertising expenditures during the previous calendar quarter.

You may develop advertising materials for your own use at your own cost, and you may use marketing materials that we may offer to you from time to time. We reserve the right to prohibit you from developing advertising materials for your own use upon notice to you. You may not use any advertising or marketing materials, including press releases, unless they have been approved in advance in writing by us, which approval may be withheld in our discretion. We will respond to your request for approval within fifteen (15) days; however, if we do not respond within fifteen (15) days, the proposed advertising or marketing material is deemed “disapproved”.

We do not provide for placement of local advertising on your behalf, and we have no obligation to spend any amount on advertising in your area or territory. You are responsible for local advertising placement. We, however, reserve the right to require you to direct your local advertising expenditures to our designated advertising vendors, which may include us or an affiliate. We, or our affiliate, also reserve the right to provide for placement of local advertising on your behalf. You must list the Gofer Ice Cream Shop in local business directories, including, but not limited to, listings on internet search engines. If feasible, you may do cooperative advertising with other Gofer Ice Cream franchisees in your area, with out prior written approval. You may not maintain any business profile on Facebook, Twitter, LinkedIn, YouTube or any other social media and/or networking site without our prior written approval.

Any advertising material that is submitted to us will become our property, and there will be no restriction on our use or distribution of these materials. At our request you must include certain language in your advertising, including “Franchises Available” and our website address and telephone number.

System-wide Brand Fund (Franchise Agreement – Section 13.3)

You are required to contribute to the Brand Fund one percent (1%) of weekly Gross Revenue, subject to increases not to exceed two percent (2%) of weekly Gross Revenue, generated by your Gofer Ice Cream Shop. Each Gofer Ice Cream outlet operated by our affiliate or us may contribute to the Brand Fund, in our discretion, but has no obligation to do so. We reserve the right to collect some or all of your grand opening funds and/or your Local Advertising expenditure and implement grand opening campaign activities and/or Local Advertising on your behalf.

The Brand Fund is administered by us. We may use Brand Fund contributions to pay any and all costs for the development, production and placement of advertising, marketing, promotional and public relations materials and programs, as well as maintenance of the system-wide website. We may also use Brand Fund contributions to pay any and all costs of marketing and seminars and training programs, market research, services of advertising and/or public relations agencies, and website development and maintenance. We may further use Brand Fund contributions to pay our costs (including personnel and other administrative costs) for advertising that is administered by us or prepared by us for use by the System as a whole, as well as for administration and direction of the Brand Fund. We will not use Brand Fund

contributions to pay for advertising that is administered or prepared by us for use in providing placement of local advertising on franchisees' behalf.

The Brand Fund will not be used to defray any of our other general operating expenses. We reserve the right to use up to ten percent (10%) of Brand Fund contributions per year in assisting us in soliciting new franchise sales.

The Brand Fund collects and expends contributions for the benefit of the System as a whole. We reserve the right to use the Brand Fund contributions to place advertising in national, regional, or local media (including broadcast, print, or other media) and to conduct marketing campaigns through any channel, in our discretion, including but not limited to, internet and direct-mail campaigns. We have no obligation, however, to place advertising or conduct marketing campaigns in any particular area, including the Territory where your Gofer Ice Cream Shop is located.

We have no obligation to make expenditures that are equivalent or proportionate to your Brand Fund contribution or to ensure that you benefit directly or pro rata from the production or placement of advertising from the Brand Fund. The Brand Fund and its earnings shall not otherwise inure to our benefit except that any resulting technology and intellectual property shall be deemed our property.

The Brand Fund is not audited. An annual unaudited financial statement of the Brand Fund is available to any franchisee upon written request.

If we spend more or less than the total of all contributions to the Brand Fund in any fiscal year, we may carry-forward any surplus or deficit to the next fiscal year.

In the our most recent fiscal year ending December 31, 2021, we collected \$23,040 in Brand Fund contributions. The expenditures from the brand fund were as follows: 73% on branded cup deposit inventory, 27% on general brand advertising. Although the Brand Fund is intended to be of perpetual duration, we may terminate it at any time and for any reason or no reason. We will not terminate the Brand Fund, however, until all monies in the Brand Fund have been spent for advertising or promotional purposes or returned to contributors, without interest, on the basis of their respective contributions.

Local Advertising Cooperative

If there are multiple Gofer Ice Cream Shops within a market area and we choose to create an advertising cooperative for this market area, you must upon notice from us participate in a local advertising cooperative ("LAC") we approve. You must sign any agreements that the LAC may require. You must contribute each month to your LAC an amount equal to 1% of the Gross Revenues of the Shop. This contribution is deposited into a separate account for the benefit of the franchisees who are contributing. Amounts paid to such LAC by you will be credited toward the local advertising expenditures you must make as described above; however, if the amount you contribute to the LAC is less than the amount you must spend on local advertising, you must still spend the difference locally. When a LAC is formed, it will be administered by a Cooperative Board of Directors who will be elected by LAC members. LACs do not need to operate from written governing documents but we may require them to do so in the future. Each LAC must prepare annual financial statements which members may view upon request. We may form, change, dissolve and merge LACs in our discretion. Shops owned by us or our affiliates within a LAC will contribute on the same basis as franchised Shops (Franchise Agreement – Section 12.3). As of the date of this Disclosure Document, no LACs have been formed and there are no current cooperative documents available for you to review.

National Advisory Council (Franchise Agreement – Section 9.6)

We do not have an advertising council composed of franchisees that advises us on advertising policies. The Franchise Agreement gives us the right, in our discretion, to create a franchisee advisory council to communicate ideas, including proposed advertising policies. If created, we will determine in

advance how franchisees are selected to the council, which may include factor such as a franchisee's level of success, superior performance and outlet profitability. We reserve the right to change or dissolve the council at any time.

Point of Sale and Computer System (Franchise Agreement – Section 12.3)

You must obtain the point-of-sale system that we specify ("POS System") The POS System will have software loaded on it which is specific to the Gofer Ice Cream System. In addition to the POS System, you must also have a back office PC that meets our minimum specifications ("Computer System"). Our specifications for both the POS System and Computer System will be included in the Manual. You must also maintain a high speed internet connection (such as T-1, DSL or cable modem) for the POS System and the Computer System.

We currently require that you use QuickBooks Online, with the specific version to be designated in the Operations Manual.

We anticipate that the initial cost of your POS System will be between \$2,000 to \$2,500 and your Computer System will be between \$250 to \$1,000.

We may require you to purchase additional equipment depending on the size and configuration of your Gofer Ice Cream Shop. We have not approved any hardware or software in place of these systems and programs, although we reserve the right to do so in the future. We reserve the right to require you to maintain technological support coverage for your POS system beyond any support that is initially provided by the vendor.

Your POS System and your Computer System may be purchased directly from the manufacturers or an authorized reseller, although we reserve the right to designate an approved supplier to sell these systems to you.

We have no obligation to maintain, repair, update or upgrade your computer and software. At your cost, you must provide on-going maintenance and repairs to your computer and software. We cannot estimate the cost of maintaining, updating and upgrading your computer hardware and software because it will depend on the make and model of your device and computer, repair history, usage, local cost of computer maintenance services in your area and technological advances that we cannot predict.

We reserve the right to have independent access to your sales information and customer data generated by and stored in your system. There are no contractual limitations on our right to have full access to this information. At our option, we may retrieve, download, analyze and store such information and data at any time. Upon our request, you must sign any documents we require to allow us to independently and electronically access and retrieve the information stored on the system. We own all customer data stored in your computer system.

Time to Open

We estimate the typical length of time between the signing of the Franchise Agreement and the time you open your Gofer Ice Cream Shop is 6 to 12 months. Factors that may affect this time period include your ability to acquire a site, financing, zoning or other permits; compliance with local ordinances and restrictions; shortages for construction; delivery and installation of fixtures, signs and equipment; and completion of required training. You must find a site that we accept within and obtain possession of such site within one year after signing the Franchise Agreement, and in all cases you must commence operations within 180 days after you obtain possession of the site. If you have not opened your Gofer Ice Cream Shop within the estimated timetable provided above, you must obtain our consent to extend the time to open, which we may or may not grant, at our discretion. Failure to open your Gofer Ice Cream Shop pursuant to the above timeframe, is a default of the Franchise Agreement, and we have the right to withdraw our

acceptance of the site and terminate the Franchise Agreement. (Franchise Agreement – Sections 8.1.2, 8.3 and 8.4)

Training (Franchise Agreement – Article 7)

You (if the franchisee is an individual) or your owners (if the franchisee is a business entity) and your initial Gofer Ice Cream Shop manager must complete our Initial Training Program, which is approximately two (2) weeks. You must complete training to our satisfaction, at least thirty (30) days before opening your Gofer Ice Cream Shop. We will train you and your general manager at an affiliate-owned outlet in the Stamford, Connecticut area, or other location of our choosing in our discretion:

TRAINING PROGRAM

Column 1	Column 2	Column 3	Column 4
Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Gofer Network	1	0	Stamford, CT
Store Tour (including machine operations)	4	4	Stamford, CT
Human Resources	4	0	Stamford, CT
Inventory Management	4	24	Stamford, CT
Product Instructions	4	28	Stamford, CT
Finance and Accounting	4	0	Stamford, CT

We periodically conduct our Initial Training Program throughout the year, as needed, and we do not currently have a fixed schedule for holding our training program. Training is currently provided under the supervision of Jay Ragusa. Jay established the Gofer Ice Cream concept in 2002, and since then has worked exclusively developing and growing the brand. Jay oversees all aspects of the Gofer Ice Cream brand operations, including product development, service methods and techniques, sales, marketing, brand development, technology and process management. We may use additional instructors on our training staff or outside training consultants to conduct our training programs. Biographical information on three of our other instructors are:

John Ragusa has been our Head Trainer and Product Developer since inception and has held a similar position with our Affiliate since its inception in May 2003. Mr. Ragusa is also a member of our Affiliate, Gofer Ice Cream LLC, and has served as a Floating Assistant Store manager since May 2003. Mr. Ragusa retired in 2001 from Pitney Bowes in Stamford, Connecticut, after 37 years of service.

Joyce Ragusa has been our Head Cake Decorator since inception and has held a similar position with our Affiliate since July 2003. Ms. Ragusa is also a member of our Affiliate, Gofer Ice Cream, LLC, where she also assists with administration, including scheduling and bookkeeping. Since 1998 she has also been an Educational Coordinator with the Stamford Board of Education, Stamford, Connecticut.

Justin Ragusa has been the Greenwich store manager since 2013. Justin has been involved in the marketing aspects of the franchise system since its inception. Justin also serve as the marketing chief of our affiliate, Gofer Ice Cream LLC.

You may be required to use third-party training personnel, subject to our approval and to our satisfaction, locally or regionally, in the first of food safety (such as ServSafe). You are required to pay the tuition for such training directly to the third-party provider.

Our training materials consist of the Operating Manual and any other materials we believe will be beneficial to our franchisees in the training process. You will also have access to our online training material “Gofer University”, a learning management system to use with your employees for a required fee per user or location charged by the supplier, or included with the Technology Fee, in our discretion

The cost of our instructors and training materials for up to two (2) people is included in the Initial Franchise Fee. You must pay for all travel and personal expenses, including, but not limited to, all costs for your transportation, meals, and lodging for yourself and your personnel. Our current fee to provide initial training to any additional trainees is \$5,000 per person.

If you or your initial Gofer Ice Cream Shop manager does not complete our Initial Training Program to our satisfaction, we reserve the right to terminate the Franchise Agreement; however, we may allow you to appoint a substitute manager, with our approval, to complete the Initial Training Program at an additional fee of \$5,000 per person. We also reserve the right to charge a reasonable fee to provide initial training in Stamford, Connecticut, and such other location as we determine in our discretion, to any manager you appoint, with our approval, after the initial opening of your Gofer Ice Cream Shop. Our current fee to provide initial training to any replacement manager is \$5,000 per person. You must also pay your manager’s travel and personal expenses.

We may conduct mandatory or optional additional training programs, including an annual conference or national business meeting. If we require it, you must attend mandatory trainings, national business meetings, or annual conventions, that we offer at a location we designate. We reserve the right to impose a reasonable fee for tuition and/or attendance for all additional training programs, including the annual business meeting or conference. You must also pay your transportation, lodging, meals and other expenses to attend any mandatory training program. If you fail to attend any mandatory training program, you are required to obtain the training at a location we designate, at your sole cost, which includes tuition at the then-current rate, plus all of your travel costs and our trainer’s travel costs.

Operating Manual

The table of contents to the Operating Manual is attached hereto as Exhibit G. Our Operating Manual includes approximately 89 pages.

ITEM 12: TERRITORY

Under the Franchise Agreement, you have the right to establish and operate one (1) Gofer Ice Cream Shop within a territory that will be defined after the location of your Gofer Ice Cream Shop is identified and accepted by us (the “Territory”). You are required to find and obtain possession of a specific location for your Gofer Ice Cream Shop that meets our site selection criteria and is acceptable to us. Your Territory is located in all or a portion of a listed town, city, or county, and is identified by a group of contiguous zip codes, or such other definition as we deem appropriate. The Territory is determined on an individual basis taking into account numbers of households, household incomes, population density and such other information we deem appropriate. The minimum Territory that may be granted in a suburban area is a two (2) mile radius. If your Gofer Ice Cream Shop will be located in an urban area, we reserve the right to restrict the size of your Territory. If your Gofer Ice Cream Shop will be located at a Non-Traditional Site, you will not be granted a Territory. Your Territory will be defined and attached to your Franchise Agreement as Exhibit B.

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

During the term of your Franchise Agreement, and provided that you are not in default of your Franchise Agreement, we will not open another Gofer Ice Cream Shop or grant the right to anyone else to open a Gofer Ice Cream Shop within the Territory. However, notwithstanding this limited protection right

we grant to you, we reserve all rights to sell our products and services under the Mark in the Territory through alternative distribution channels, as discussed below.

If you sign an Area Development Agreement, you will not receive an exclusive development area. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. During the term of your Area Development Agreement, provided that you are not in default of your Agreement or development schedule, we will not open another Gofer Ice Cream Shop or grant the right to anyone else to open a Gofer Ice Cream Shop within your development area until the expiration or sooner termination of your Area Development Agreement. However, notwithstanding this limited protection right we grant to you, we reserve all rights to sell our products and services under the Mark in the development area through alternative distribution channels, as discussed below.

There is no minimum sales requirement, market penetration or other contingency that will affect your limited protected right to operate in the Territory during the term of your Franchise Agreement, unless you are in default of your obligations to us.

You may not change the location of your Gofer Ice Cream Shop, without our written consent, which we may withhold in our sole discretion. The conditions under which we may allow you to relocate include the following: loss of your premises not due to your default, demographics of the surrounding area, proximity to other Gofer Ice Cream Shops, proximity to major roads, available parking, and overall suitability. If you wish to relocate, you must identify a new location for the Gofer Ice Cream Shop that is acceptable to us, in accordance with our then-current site selection procedures, within 90 days. If you do not identify a site within this time period, we may terminate the Franchise Agreement. While you are closed for relocation, you must continue to pay us a minimum Royalty and Brand Fund contribution equal to the average paid during the four (4) calendar quarters immediately preceding the loss of your premises.

Unless you have signed our Area Development Agreement, we may, but have no obligation to, consider granting to you the right to establish additional Gofer Ice Cream Shops under other franchise agreements if you are in compliance with the Franchise Agreement and propose to open another Gofer Ice Cream Shop in an area and at a location acceptable to us. The Franchise Agreement grants you no options, rights of first refusal or similar rights to acquire additional franchises.

We reserve all rights not expressly granted in the Franchise Agreement. For example, we or our affiliates may own, operate or authorize others to own or operate Gofer Ice Cream Shops outside of the Territory and may operate other kinds of businesses within the Territory. Although we do not currently do so and have no plans to do so, we and our affiliates may own, acquire, conduct, or authorize others to conduct, any form of business at any location selling any type of product or service not offered under the Mark, including a product or service similar to those you will sell at your Gofer Ice Cream Shop.

We and our affiliates may sell products and services under the Mark within or outside the Territory or development area through any method of distribution other than a dedicated Gofer Ice Cream Shop, such as distribution through retail outlets, including but not limited to, grocery stores and gift shops; in captive market locations, such as airports and stadiums; and the Internet (“Alternative Distribution Channels”). You will receive no compensation for our sales through Alternative Distribution Channels in the Territory or development area.

You may not use Alternative Distribution Channels to make sales inside or outside your Territory; however, we will include a listing on our website of your Gofer Ice Cream Shop. You may only solicit sales from consumers in your Territory. Your local advertising must target customers in your Territory, although the reach of your local advertising may extend beyond your Territory.

ITEM 13: TRADEMARKS

Gofer Properties, LLC (“Licensor”) is the owner of the Mark and has granted us the exclusive right to use the Mark and license to others the right to use the Mark in the operation of Gofer Ice Cream Shops in accordance with the System. The Franchise Agreement will license to you the right to operate your Gofer Ice Cream Shop under the Gofer Ice Cream service marks, as described below (“Principal Marks”):

Mark	Registration Number	Registration Date	Register
	2862839	July 13, 2004	Principal

Licensor has filed all required affidavits to maintain its rights in the above Mark.

We also license to you the following Principal Mark:

Mark	Serial Number	Application Date	Register
IT’S ALWAYS A GOOD DAY...TO GOFER ICE CREAM!	90675055	April 27, 2021	Principal

With regard to this Mark only, we do not have a federal registration for our principal trademark. Therefore, our trademark does not have as many legal benefits and rights as a federally registered trademark. If our right to use this trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

You must notify us immediately when you learn about an infringement of or challenge to your use of the Principal Marks or other Marks. Gofer Properties, LLC and we will take any action we think appropriate and, if you have given us timely notice and are in full compliance with the Franchise Agreement, we will indemnify you for all expenses and damages arising from any claim challenging your authorized use of the Principal Marks or other Marks. Gofer Properties, LLC and we have the right to control any administrative proceedings or litigation involving the Principal Marks or other Marks licensed by us to you. You must cooperate fully with Gofer Properties, LLC and us in defending and/or settling the litigation.

We reserve the right to substitute different Marks if we can no longer use the current Marks, or if we determine that substitution of different Marks will be beneficial to the System. In such event, we may require you, at your expense, to modify or stop using any Mark, including the Principal Mark, or to use one or more additional or substitute Marks.

You must not directly or indirectly contest Gofer Properties, LLC’s right, or our right, to the Principal Marks or other Marks.

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeals Board, the Trademark Administration of any state, or any court relating to the Marks. There is no pending infringement, opposition or cancellation. There is no pending material federal or state court litigation involving the Principal Marks or other of our trademarks.

There are no currently effective agreements that significantly limit Licensor’s or our rights to use or license the use of the Principal Marks or other of our trademarks in a manner material to the franchise.

As of the date of this Disclosure Document, we know of no superior prior rights or infringing uses that could materially affect your use of the Principal Marks.

ITEM 14: PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We hold no patents and have no pending patent applications that are material to the franchise. We have registered no copyright with the United States Copyright Office. However, we claim copyrights on certain forms, advertisements, promotional materials, photographs and other written materials. We also claim copyrights and other proprietary rights in our Operating Manual.

There are no current material determinations of, or proceedings pending in, the United States Patent and Trademark Office, the U.S. Copyright Office, or any court regarding any of our copyrights discussed above.

There are no agreements currently in effect which limit your right to use any of our copyrights. As of the date of this Disclosure Document, we are unaware of any infringing uses of or superior previous rights to any of our copyrights which could materially affect your use of them.

Our mutual obligations to protect your rights to use our copyrights are the same as the obligations for Trademarks described in Item 13 of this Disclosure Document.

During the term of the Franchise Agreement, you may have access to and become acquainted with our trade secrets, including, but not limited to, formulas, recipes, methods, processes, customer lists, vendor partnerships and/or relationships, sales and technical information, financial information, costs, product prices and names, software tools and applications, website and/or email design, products, services, equipment, technologies and procedures relating to the operation of the Gofer Ice Cream Shop; the Operating Manual; methods of advertising and promotion; instructional materials; any other information which Franchisor may or may not specifically designate as “confidential” or “proprietary”; and the components of the System, whether or not such information is protected or protectable by patent, copyright, trade secret or other proprietary rights (collectively called the “Confidential Information”). You agree that you will take all reasonable measures to maintain the confidentiality of all Confidential Information in your possession or control and that all such Confidential Information and trade secrets shall remain our exclusive property. You may never (during the Initial Term, any Successor Term, or after the Franchise Agreement expires or is terminated) reveal any of our confidential information to another person or use it for any other person or business. You may not copy any of our Confidential Information or give it to a third party except as we authorize in writing to you prior to any dissemination. Your personnel who have access to our Confidential Information must sign our Confidentiality/Non-Competition Agreement (Franchise Agreement, Exhibit G).

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

The Franchise Agreement requires that you personally supervise and participate in the day-to-day operation of your Gofer Ice Cream Shop. The day-to-day operations of your Gofer Ice Cream Shop must be directly supervised by a general manager (“General Manager”). Your general manager can either be you or someone appointed by you who is acceptable to us. Your General Manager must successfully complete our Initial Management Training Program and all other training courses we require. Your General Manager must devote full time to the job and cannot have an interest or business relationship with any of our competitors. If the franchisee is a business entity, your General Manager is not required to have an equity interest in the franchisee entity.

The Area Development Agreement requires that you personally supervise and participate in the day-to-day operation of the Gofer Ice Cream Shops in your Development Area. The day-to-day operations

of the Gofer Ice Cream Shops in the Development Area must be directly supervised by a senior operations manager (“Senior Operations Manager”). Your Senior Operations Manager can either be you or someone appointed by you who is acceptable to us. Your Senior Operations Manager must successfully complete our Initial Management Training Program and all other training courses we require. Your Senior Operations Manager must devote full time to the job and cannot have an interest or business relationship with any of our competitors. If the Developer is a business entity, your Senior Operations Manager is required to own at least 10% of the voting equity interests in the Developer.

Your Senior Operations Manager, General Manager and all other personnel who will have access to our proprietary and Confidential Information and training must sign our Non-Disclosure/Non Competition Agreement, which is attached to our Franchise Agreement as Exhibit G. If your Gofer Ice Cream Shop is owned by an entity, all owners of the entity must personally sign the Franchise Agreement as a Principal. If you are a married individual, your spouse must sign our Personal Guaranty, which is attached to our Franchise Agreement as Exhibit F.

ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISE MAY SELL

You must offer and sell all products and services that are part of the System, and all services and products which we incorporate into the System in the future. You may only offer products and services that we have previously approved.

You may not use our Principal Marks or other trademarks for any other business, and you may not conduct any other business from your Gofer Ice Cream Shop. You cannot engage in any other business (other than an addition Gofer Ice Cream Shop) that competes with your Gofer Ice Cream Shop, with us or our affiliates, or with Gofer Ice Cream Shops owned by other franchisees, whether such business is inside or outside of the Territory.

We may add to, delete from or modify the products and services that you can and must offer. You must abide by any additions, deletions and modifications. There are no limits on our rights to make these changes.

You may only sell products and services in the manner we prescribe. You may only solicit sales from customers in your Territory. Your local advertising must target customers in your Territory, although the reach of your local advertising may extend beyond your Territory. See Item 12 for restrictions on sales within and outside the Territory.

ITEM 17: RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

Provision	Section in Franchise Agreement	Summary
(a) Length of the franchise term	Article 4	10 years.
(b) Renewal or extension of the Term	Sections 5.1 and 5.5	If you are in good standing as defined below, you can renew for one additional term of 10 years, unless we have determined, in our sole discretion, to withdraw from you Territory.

(c)	Requirements for franchisee to renew or extend	Section 5.2 and 5.3	Be in full compliance, have no more than three (3) events of default during current term, provide written notice to us at least six months before the end of the term, execute a new franchise agreement, pay us a Successor Agreement fee of \$1,000, continue to have the right to occupy the premises or have received approval from us to relocate, remodel your Gofer Ice Cream Shop, execute a general release, comply with then-current qualifications and training requirements, including completion of additional training. You may be asked to sign a new Franchise Agreement with materially different terms and conditions than your original Franchise Agreement.
(d)	Termination by franchisee	Not applicable	Not applicable.
(e)	Termination by Franchisor without cause	Section 16.7	The Franchise Agreement will terminate automatically upon your death or permanent disability, unless prohibited by law and the Franchise is transferred within 6 months to a replacement franchisee that we approve.
(f)	Termination by Franchisor with cause	Article 17	We may terminate only if you default. The Franchise Agreement describe defaults throughout. Please read it carefully.
(g)	“Cause” defined-curable defaults	Section 17.3	You have 5 days to cure non-payments and any other defaults (except for non-curable defaults listed in the Franchise Agreement and described in h. immediately below).
(h)	“Cause” defined-non-curable defaults	Section 17.1 and 17.2	The Franchise Agreement will terminate automatically, without notice for the following defaults: insolvency; bankruptcy; written admission of inability to pay debts; receivership; levy; composition with creditors; unsatisfied final judgment for more than 30 days; or foreclosure proceeding that is not dismissed within 30 days. We may terminate the Franchise Agreement upon notice to you if you: do not acquire a site, do not complete construction and/or open your Gofer Ice Cream Shop within required time frames; falsify any report to us; cease operations for 5 days or more, unless the premises are damaged and you apply to relocate; lose possession of the premises, unless you are not at fault for loss and you timely apply to relocate; fail to restore and re-open your Gofer Ice Cream Shop within 120 days after a casualty, as may be extended by us; fail to comply with applicable laws; default under any lease for the premises; understate Gross Revenue two (2) or more times; fail to comply with insurance and indemnification requirements; attempt a transfer in violation of the Franchise Agreement; fail, or your legal representative fails to transfer as required

		upon your death or permanent disability; misrepresent or omit a material fact in applying for the Franchise; are convicted or plead no contest to a felony or crime that could damage the goodwill or reputation of our trademarks or the System; receive an adverse judgment in any proceeding involving allegations of fraud, racketeering or improper trade practices or similar claim that could damage the goodwill or reputation of our trademarks or the System; conceal revenues or maintain false books; create a threat or danger to public health or safety; refuse an inspection or audit by us; use our trademarks, copyrights material or Confidential Information in an unauthorized manner; make an unauthorized disclosure of Confidential Information; fail to comply with performance of your obligations three (3) or more times during the term or receive two (2) or more default notices in any 12-month period; default under any other agreement with us or our affiliates; have insufficient funds to honor a check or EFT two (2) or more times within any twelve (12)-month period; or terminate the Franchise Agreement without cause.
(i) Franchisee's obligations on termination/non-renewal	Article 18	Upon termination, you must: cease operations; cease to identify yourself as a Gofer Ice Cream franchisee; cease to use our trademarks; cancel any assumed name registration that contains any Mark; pay to us and our affiliates all sums owing; pay to us any damages, costs or expenses we incur in obtaining any remedy for any violation of the Franchise Agreement by you, including, but not limited to, attorney's fees; deliver to us all Confidential Information, the Operations Manual and all records and files related to your Gofer Ice Cream Shop; comply with the non-disclosure and non-competition covenants; sell to us, at our option, all furnishing, fixtures, equipment, inventory and supplies of your Gofer Ice Cream Shop; and assign, at our option, your telephone numbers, directory and internet listings, and social media accounts and the lease for the location.
(j) Assignment of contract by Franchisor	Section 16.1.1	No restrictions on our right to assign.
(k) "Transfer" by franchisee – definition	Section 16.3	Any assignment, sale, transfer, gift, devise or encumbrance of any interest in the Franchise Agreement, your Gofer Ice Cream Shop, any assets of your Gofer Ice Cream Shop, or in the Franchisee (if the Franchisee is a business entity).
(l) Franchisor approval of transfer by franchisee	Section 16.3	No transfer is allowed without our consent, which we will not unreasonably withhold.
(m) Conditions for franchisor approval of a transfer	Section 16.3 and 16.4	Conditions include: our decision not to exercise our right of first refusal; transferee meets our then-current standards for qualifying franchisees;

		transferee signs our then-current form of Franchise Agreement, which may have materially different terms from your Franchise Agreement; transferee and its general manager successfully complete our Initial Management Training Program; you have paid us and third-party creditors all amounts owed; you and the transferee sign a General Release in the form of Exhibit C to the Franchise Agreement; you shall subordinate any claims you have against the transferee to us; you will indemnify us for a period of 3 years following the transfer; our approval of the material terms and conditions of the transfer; landlord's consent of a lease assignment, if applicable; payment of a transfer fee of \$5000.
(n) Franchisor's right of first refusal to acquire franchisee's business	Section 16.6	You must promptly notify us of any written offer to purchase your Gofer Ice Cream Shop. We have 30 days to exercise our first right to buy it on the same terms and conditions, provided that (a) we may substitute cash for any other consideration, (b) we may pay the entire purchase price at closing, (c) our credit is deemed as good as the proposed purchaser, (d) we have at least 60 days to close and 9e) you shall give us all customary seller's representations and warranties.
(o) Franchisor's option to purchase franchisee's business	Section 18.2	Upon termination of the Franchise Agreement, we have the option to purchase your furniture, equipment, signs, advertising materials, supplies and inventory at your cost or fair market value, whichever is less.
(p) Death or disability of franchisee	Sections 16.3, 16.4 and 16.7	The Franchise Agreement will terminate automatically upon your death or permanent disability, unless prohibited by law and the Franchise is transferred within 6 months to a replacement franchisee that we approve.
(q) Non-competition covenants during the term of the franchise	Section 19.5.1	You may not: divert, or attempt to divert, customers of any Gofer Ice Cream Shop (including yours) to any competitors; participate in any capacity, including, but not limited to as an owner, investor, officer, director, employee or agent, in any competing business; do any act that could damage the goodwill of our trademarks or System; or disrupt or jeopardize our business or that of our franchisees.
(r) Non-competition covenants after the franchise is terminated or expires	Section 19.5.2	For 5 years after the termination of the Franchise Agreement, you may not: divert, or attempt to divert, customers of any Gofer Ice Cream Shop (including yours) to any competitor; participate in any capacity, including, but not limited to as an owner, investor, officer, director, employee or agent, in any competing business within 25 miles of your former Gofer Ice Cream Shop location or any other Gofer Ice Cream Shop location; do any act that could damage the goodwill of our

		trademarks or System, or disrupt or jeopardize our business or that of our franchisees.
(s)	Modification of the agreement	Sections 9.4, 14.6, 19.1.4 and 22.4 No oral modifications generally, but we may change the Operations Manual and System standards at any time. You may be required to implement these changes at your own costs. We have the right to modify our trademarks at any time upon written notice to you.
(t)	Integration/merger clause	Section 21.4 Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable.
(u)	Dispute resolution by arbitration or mediation	Sections 20.1, 20.2, 20.3 and 20.4 Claims that are not resolved internally must be submitted to binding arbitration, excluding claims related to injunctive relief, anti-trust, the trademarks, possession of the Gofer Ice Cream Shop premises and post-termination obligations, subject to applicable law.
(v)	Choice of forum	Section 20.5 Connecticut, subject to applicable state law.
(w)	Choice of law	Section 20.5 Connecticut law applies, subject to applicable state law.

THE AREA DEVELOPER RELATIONSHIP

Provision	Section in Area Development Agreement	Summary
(a)	Length of the franchise term	Article 4 As determined by you and us based on the number of Gofer Ice Cream Shops you are to develop.
(b)	Renewal or extension of the term	Not applicable Not applicable
(c)	Requirements for franchisee to renew or extend	Not applicable Not applicable
(d)	Termination by franchisee	Not applicable Not applicable
(e)	Termination by franchisor without cause	Section 6.6 The Area Development Agreement will terminate automatically upon your death or permanent disability, unless prohibited by law and the Development Rights are transferred within 6 months to a replacement developer that we approve.
(f)	Termination by franchisor with cause	Article 7 We may terminate only if you default. The Area Development Agreement describes defaults throughout. Please read it carefully.
(g)	“Cause” defined-curable defaults	Section 7.3 You have 5 days to cure non-payments and any other defaults (except for non-curable defaults listed in the Area Development Agreement and described in h. immediately below).
(h)	“Cause” defined-non-curable defaults	Sections 7.1 and 7.2 The Area Development Agreement will terminate automatically, without notice for the following

		defaults: insolvency; bankruptcy; written admission of inability to pay debts; receivership; levy; composition with creditors; unsatisfied final judgment for more than 30 days; or foreclosure proceeding that is not dismissed within 30 days. We may terminate the Area Development Agreement upon notice to you if you: misrepresent or omit a material fact in applying for the Development Rights; falsify any report to us; fail to comply with any federal, state or local law, rule or regulation applicable to the development and operations of Developer's Gofer Ice Cream Shops, including, but not limited to, the failure to pay taxes; fail to develop the Gofer Ice Cream Shops in accordance with the Mandatory Development Schedule; attempt a transfer in violation of the Area Development Agreement; are convicted or plead no contest to a felony or crime that could damage the goodwill or reputation of our trademarks or the System; receive an adverse judgment in any proceeding involving allegations of fraud, racketeering or improper trade practices or similar claim that could damage the goodwill or reputation of our trademarks or the System; fail to comply with non-competition covenants; default, or your affiliate defaults, under any other agreement, including any Franchise Agreement, with us or any of our affiliates, suppliers or landlord and does not cure such default within the time period provided in such other agreement; or terminate the Area Development Agreement without cause.
(i) Franchisee's obligations on termination/non-renewal	Section 7.4	Upon termination, you must: cease all development operations and comply with the non-disclosure and non-competition covenants.
(j) Assignment of contract by franchisor	Section 6.1	No restriction on our right to assign.
(k) "Transfer" by franchisee - definition	Section 6.3	Any assignment, sale, transfer, gift, devise or encumbrance of any interest in the Area Development Agreement or Development Rights.
(l) Franchisor approval of transfer by franchisee	Section 16.2, 6.3	No transfer is allowed without our consent, which we will not unreasonably withhold.
(m) Conditions for our approval of transfer	Section 16.3 and 16.4	Conditions include: our decision not to exercise our right of first refusal; transferee meets our then-current standards for qualifying franchisees; transferee signs our then-current form of Area Development Agreement, which may have materially different terms from your Area Development Agreement; you and the transferee sign a General Release in the form of Exhibit C to the Franchise Agreement; you shall subordinate any claims you have against the transferee to us;

		you will indemnify us for a period of 3 years following the transfer; our approval of the material terms and conditions of the transfer; payment of a transfer fee of 50% of the Development Fee.
(n) Franchisor's right of first refusal to acquire franchisee's business	Section 6.5	You must promptly notify us of any written offer to purchase your Development Rights. We have 30 days to exercise our first right to buy it on the same terms and conditions provided that (a) we may substitute cash for any other consideration, (b) we may pay the entire purchase price at closing, (c) our credit is deemed as good as the proposed purchaser, (d) we have at least 60 days to close and (e) you shall give us all customary seller's representations and warranties.
(o) Franchisee's option to purchase your business	Not applicable	Not applicable.
(p) Death or disability of franchisee	Section 6.6	The Area Development Agreement will terminate automatically upon your death or permanent disability, unless prohibited by law and the Development Rights are transferred within 6 months to a replacement developer that we approve.
(q) Non-competition covenants during the term of the franchise	Section 8.3.1	You may not: divert, or attempt to divert, customers of any Gofer Ice Cream Shop (including yours) to any competitors; participate in any capacity, including, but not limited to as an owner, investor, officer, director, employee or agent, in any competing business; do any act that could damage the goodwill of our trademarks or System; or disrupt or jeopardize our business or that of our franchisees.
(r) Non-competition covenants after the franchise is terminated or expires	Section 8.3.2	For 5 years after the termination of the Franchise Agreement, you may not: divert, or attempt to divert, customers of any Gofer Ice Cream Shop (including yours) to any competitor; participate in any capacity, including, but not limited to as an owner, investor, officer, director, employee or agent, in any competing business within 25 miles of your former Gofer Ice Cream Shop locations or any other Gofer Ice Cream Shop location; do any act that could damage the goodwill of our trademarks or System, or disrupt or jeopardize our business or that of our franchisees.
(s) Modification of the agreement	Section 12.4	No oral modifications. No amendment of the provisions will be binding upon either party unless the amendment has been made in writing and executed by all interested parties.
(t) Integration/merger clause	Section 12.4	Only the terms of the Area Development Agreement and other related written agreements are binding (subject to state law). Any representations or promises outside of the disclosure document and Area Development Agreement may not be enforceable.

(u) Dispute resolution by arbitration or mediation	Sections 10.1, 10.2, 10.3 and 10.4	Claims not resolved internally must be submitted to binding arbitration, excluding claims related to injunctive relief, anti-trust, the trademarks, and post-termination obligations, subject to applicable state law.
(v) Choice of forum	Section 10.5	Connecticut, subject to applicable state law.
(w) Choice of law	Section 10.5	Connecticut law applies, subject to applicable state law.

ITEM 18: PUBLIC FIGURES

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

ITEM 19: FINANCIAL PERFORMANCE REPRESENTATIONS

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

This Item contains an historic financial performance representation of our existing outlets on the date of this disclosure document. As of the date of this disclosure document, there are a total of seven Gofer Ice Cream Shops, three of which are owned and operated by our Affiliate and four of which are owned and operated by Franchisees. Of these seven Gofer Ice Cream Shops, five have been open for one year or more. This Item excludes any seasonal Gofer Ice Cream Shops (those that are open for less than the twelve months of the year). The following table shows (i) the Gross Revenue of the prior twelve-month period ending December 31, 2021 for Gofer Ice Cream Shops which have been open for twelve months or more as of December 31, 2021 and (ii) the Gross Revenue of the prior twelve-month period ending December 31, 2021 for Gofer Ice Cream Shops which have been open for on year or more as of December 31, 2021.

The Gross Revenue is for the prior twelve months period ending December 31, 2021. The data used in preparing this financial performance representation was compiled from information contained in our POS System. Franchisees report their sales through the POS System, and while we believe that their sales reporting is accurate, we have not independently verified the information.

Franchised Locations:

Gofer Ice Cream Shops as of December 31, 2021	Gofer Ice Cream Shops Open 12 Months or More
Average	\$431,113
Median	\$451,413
High	\$579,477
Low	\$262,449
No. of Outlets that Attained Average or More (out of 3)	2

Affiliate Locations:

Gofer Ice Cream Shops as of December 31, 2021	Gofer Ice Cream Shops Open 12 Months or More
Average	\$576,575
Median	\$576,575
High	\$721,227
Low	\$431,922
No. of Outlets that Attained Average or More (out of 2)	1

Notes to the preceding financial performance representation:

1. The figures in the above table have not been audited.

2. Gross Revenue means gross sales of all goods, services and products, any and all monies received from the operation of the Gofer Ice Cream Shop. Average Gross Revenue is derived by adding the Gross Revenue of each Gofer Ice Cream Shop for the 12 month period ending on December 31, 2021, and dividing by the number of Gofer Ice Cream Shops. Median Gross Revenue is derived by examining the Gross Revenue of each Gofer Ice Cream Shop for the 12 month period ending on December 31, 2021 in order from lowest to highest, and finding the middle number in that set. Gross Revenue High refers to the individual Gofer Ice Cream Shop that received the highest Gross Revenue for the 12 month period ending on December 31, 2021. Gross Revenue Low refers to the individual Gofer Ice Shop that received the lowest Gross Revenue for the 12 month period ending on December 31, 2021.

3. Our affiliate-owned outlets operate in a substantially similar manner to the one you will be operating; however, our affiliate-owned outlets are not subject to the same territorial restrictions or fees that a franchisee will experience. Item 6 of this disclosure document outlines the fees to which the franchisee will be subject.

4. This Table does not reflect costs and expenses you will incur, such as royalty and brand fund payments, local advertising, technology fees, inventory purchases, payroll and rent.

Written substantiation of the data used in preparing these figures will be made available to you upon reasonable request.

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

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 John Jay Ragusa at 869 High Ridge Road, Stamford, Connecticut 06905 and (203) 559-9202, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20: OUTLETS AND FRANCHISEE INFORMATION

Systemwide Outlet Summary For years 2019, 2020, 2021

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised*	2019	2	2	0
	2020	2	3	+1
	2021	3	4	+1
Company-Owned**	2019	3	3	0
	2020	3	3	0
	2021	3	3	0
Total Outlets	2019	5	5	0
	2020	5	6	+1
	2021	6	7	+1

* The list of Franchised outlets in the above chart includes Gofer Ice Cream Shops operated by Franchisees pursuant to agreements entered into with our predecessor.

** The list of Company-Owned outlets in the above chart includes Gofer Ice Cream Shops owned and operated by our Affiliate.

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor) For years 2019, 2020, 2021

Column 1 State	Column 2 Year	Column 3 Number of Transfers
None	2019	0
	2020	0
	2021	0
Total	2019	0
	2020	0
	2021	0

Status of Franchised Outlets For years 2019, 2020, 2021

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Termina- tions	Col 6 Non- Renewals	Col 7 Reacquired by Franchisor	Col 8 Ceased Operations – Other Reasons	Col 9 Outlets at End of the Year
CT	2019	2	0	0	0	0	0	2
	2020	2	1	0	0	0	0	3
	2021	3	1	0	0	0	0	4
Total	2019	2	0	0	0	0	0	2
	2020	2	1	0	0	0	0	3
	2021	3	1	0	0	0	0	4

**Status of Area Developers
For years 2019, 2020, 2021**

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Termina- tions	Col 6 Non- Renewals	Col 7 Reacquired by Franchisor	Col 8 Ceased Operations – Other Reasons	Col 9 Outlets at End of the Year
None	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
Total	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0

**Status of Company-Owned and Affiliate-Owned Outlets
For years 2019, 2020, 2021**

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Outlets Reacquired from Franchisee	Col 6 Outlets Closed	Col 7 Outlets Sold to Franchisee	Col 8 Outlets at End of the Year
CT*	2019	3	0	0	0	0	3
	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3
Total	2019	3	0	0	0	0	3
	2020	3	0	0	0	0	3
	2021	3	0	0	0	0	3

The outlets represented in the above chart are owned and operated by our Affiliate.

* One outlet located at 551 East Putnam Avenue, Cos Cob, CT 06807 operates on a seasonal basis.

Projected Openings as of December 31, 2020

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Next Fiscal Year
Connecticut	1	2	1
TOTAL	1	2	1

Exhibit D lists the location of each Gofer Ice Cream Shop in our System and each franchisee during our last fiscal year who has had an outlet terminated, canceled, not renewed, or has otherwise voluntarily or involuntarily ceased to do business under the franchise agreement or has not communicated with us within 10 weeks of the date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

No franchisee has signed confidentiality clauses during the last three years.

There are no trademark-specific organizations formed by our franchisees that are associated with the franchise system being offered in this Franchise Disclosure Document.

ITEM 21: FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit E are our audited financial statements dated December 31, 2021, December 31, 2020 and December 31, 2019. Our fiscal year end is December 31.

ITEM 22: CONTRACTS

The following agreements are attached as exhibits to this Disclosure Document:

Franchise Agreement – Exhibit B
Area Development Agreement – Exhibit C
Form of General Release – Exhibit I

ITEM 23: RECEIPTS

Two copies of an acknowledgment of your receipt of this Disclosure Document appear at the end of the Disclosure Document. Please return one signed copy to us and retain the other for your records.

EXHIBIT A TO THE DISCLOSURE DOCUMENT

LIST OF STATE 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 Department of Financial Protection and Innovation 320 West 4 th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7505 Toll-free (866-275-2677)	Commissioner of the Department of Financial Protection and Innovation
CONNECTICUT	State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230	Banking Commissioner
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii
ILLINOIS	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General
INDIANA	Indiana Secretary of State Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 Law Building Lansing, MI 48913 (517) 373-7117	Michigan Department of Commerce, Corporations and Securities Bureau
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce

State	State Agency	Agent for Service of Process
NEW YORK	Office of the New York State Attorney General Investor Protection Bureau 28 Liberty Street, 21 st Floor New York, NY 10005 (212) 416-8222 Phone (212) 416-6042 Fax	Attention: New York Secretary of State New York Department of State One Commerce Plaza 99 Washington Avenue, 6 th Floor Albany, NY 11231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard, 5 th Floor Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner
OREGON	Department of Consumer and Business Services Division of Finance and Corporate Labor and Industries Building Salem, Oregon 97310 (503) 378-4387	Director of the Department of Consumer and Business Services
RHODE ISLAND	Department of Business Regulation Division of Securities 1511 Pontiac Avenue, Building 69-1 Cranston, RI 02920 (401) 462-9585	Director of Rhode Island Department of Business Regulation
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Director of Insurance-Securities Regulation
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9 th Floor Richmond, VA 23219 (804) 371-9051	Clerk of State Corporation Commission 1300 East Main Street, 1 st Floor Richmond, VA 23219 (804) 371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Director of Washington Financial Institutions Securities Division 150 Israel Road, SW Tumwater, WA 98501
WISCONSIN	Wisconsin Securities Commissioner Securities and Franchise Registration 345 W. Washington Avenue Madison, WI 53703 (608) 266-8559	Commissioner of Securities of Wisconsin

EXHIBIT B TO THE DISCLOSURE DOCUMENT
FRANCHISE AGREEMENT

GOFER FRANCHISE SYSTEMS, LLC
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ATTACHMENTS:

Attachment 1:	Franchisee Acknowledgment Statement
Attachment 2:	Trademarks
Attachment 3:	Territory
Attachment 4:	General Release
Attachment 5:	Authorization Agreement, Automatic Deposits (ACH Withdrawals)
Attachment 6:	Conditional Assignment of Lease
Attachment 7:	Statement of Ownership Interests in Franchisee
Attachment 8:	Guaranty
Attachment 9:	Confidentiality and Non-Compete Agreement
Attachment 10:	Internet Advertising, Social Media, Software and Telephone Listing Agreement

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this “Agreement”) is being entered into this day of _____ (the “Effective Date”) by and between Gofer Franchise Systems, LLC, a Connecticut limited liability company with its principal place of business at 869 High Ridge Road, Stamford, Connecticut 06905 (herein “Franchisor”) and _____, a(n) _____, with its principal place of business located at _____ and _____’s principals _____, an individual residing at _____ and _____, an individual residing at _____ (“Principal(s)”). _____ and Principal(s) shall be collectively referred to in this Agreement as the “Franchisee”.

RECITATIONS

Through the expenditure of considerable time, effort and money, Franchisor has developed and established unique and distinctive ice cream shops that offer a variety of soft-serve and hard ice creams along with associated novelties and/or merchandise under the Gofer Ice Cream trademarks and using Franchisor’s confidential operations manual (“Manual”) of business practices and policies, and Franchisor’s distinctive, décor, fixtures and furnishings, operations methods, sales techniques, inventory, procedures for management control and training, assistance, advertising, and promotional programs, all of which may be changed, improved or further developed by Franchisor at any time (taken together herein the “System”).

The System is identified by certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including but not limited to the Gofer Ice Cream service marks, as set forth in Attachment 2, and such other trade names, service marks, and trademarks as are now designated and may hereafter be designated or substituted by Franchisor for use in connection with the System (the “Marks”).

Franchisor continues to develop, use, and control the use of such Marks in order to identify for the public the source of services and products marketed under the Marks and the System and to represent the System’s high standards of quality, appearance, and service.

Franchisee understands and acknowledges the importance of Franchisor’s high and uniform standards of quality, service, and appearance, and the necessity of operating the business franchised hereunder in conformity with Franchisor’s standards and specifications.

NOW, THEREFORE, the parties, in consideration of the promises, undertakings and commitments of each party to the other set forth herein, and intending to be legally bound hereby, mutually agree as follows:

1. RECITATIONS. The Recitations set out above form part of this Agreement.

2. **GRANT OF FRANCHISE.** Franchisor hereby grants to Franchisee and Franchisee accepts, upon the terms and conditions contained in this Agreement, the license to operate a Gofer Ice Cream franchise (the “Gofer Ice Cream Shop”), using only the Marks licensed hereunder, in strict conformity with the System, which may be changed, improved and further developed by Franchisor from time to time. This grant applies only to a single location within a territory that is designated in Attachment 3 attached hereto and incorporated herein (the “Territory”).
3. **TERRITORY**
 - 3.1. Territory. This Agreement grants Franchisee the right to operate the Gofer Ice Cream Shop at a single location within the Territory. Subject to Section 3.2 below, Franchisor agrees that during the Term of this Agreement, Franchisor will not, and Franchisor will not authorize any other Gofer Ice Cream franchisees, to operate a franchised Gofer Ice Cream location in the Territory using the same Marks as licensed to Franchisee in this Agreement so long as Franchisee is not in default under this Agreement or this Agreement has not been terminated. Except as otherwise specified in this Agreement, Franchisor reserves the right to open, operate or franchise Gofer Ice Cream franchises bordering and adjacent to the Territory. Franchisee will be selling its products and services from a single location that will be determined by Franchisee with Franchisor’s prior acceptance, which may be withheld or denied in Franchisor’s sole discretion. Except as set forth in this Agreement, Franchisee is prohibited from selling and soliciting customers outside of the Territory and from alternative methods of distribution as more fully specified herein.
 - 3.2. Reservation of Rights. Franchisee understands and agrees that all rights to any businesses, other than as specified in this Agreement, are fully reserved to Franchisor within or outside of the Territory. By way of example only, Franchisor reserves the rights to offer (i) other products or services not offered under the Marks, (ii) other food concepts under the Marks or other trademarks, including licensing Franchisor’s designs for use in other formats (iii) products or services through any channel of distribution in the Territory other than a dedicated Gofer Ice Cream outlet, such as non-traditional retail locations, including, but not limited to, malls, transportation centers, limited access venues, and higher education campuses and the Internet. (“Alternate Distribution Channels”). Franchisee will receive no compensation for Franchisor’s sales through Alternate Distribution Channels made within the Territory. Franchisee agrees that such implementation of Franchisor’s rights pursuant to this Section 3.2 is deemed not to impair or injure Franchisee’s rights pursuant to Section 2 hereof.
4. **TERM.** Unless terminated earlier in accordance with the terms set forth in this Agreement, this Agreement and the Franchise granted hereunder shall commence upon the Effective Date set forth above, and terminate on the date that is ten (10) years following the Opening Date, as defined in Section 8 hereof (the “Term”).

5. **SUCCESSOR OPTIONS.** Subject to the terms and conditions of this Agreement, Franchisee shall have the right, following the expiration of the Term hereof, to enter into a new franchise agreement and other agreements then customarily employed by Franchisor and in the form then generally being offered to prospective franchisees in the state in which the Territory is located (the “Successor Franchise Agreement”) for one (1) additional term equal to ten (10) years. The term of such Successor Franchise Agreement shall commence upon the date of expiration of the immediately preceding term. Franchisee shall be charged a Successor Agreement fee equal to One Thousand Dollars (\$1,000) (“Successor Agreement Fee”).

- 5.1 Form and Manner of Successor Agreement. If Franchisee desires to exercise Franchisee’s option to enter into a Successor Franchise Agreement, it shall be done in the following manner:

5.1.1 Not less than six (6) months prior to the expiration of the Term of this Agreement, Franchisee shall request from Franchisor in writing, a copy of Franchisor’s then current Disclosure Document (including Franchisor’s then current franchise agreement).

5.1.2 Franchisee must execute and return to Franchisor all required documents, including any and all ancillary documents, within thirty (30) days after receipt by Franchisee of a copy of Franchisor’s then current Disclosure Document.

5.1.3 The Successor Franchise Agreement shall supersede this Agreement in all respects, and Franchisee understands and acknowledges that the terms of such new agreement may differ from the terms of this Agreement, including, without limitation, higher or lower royalty and other fees.

5.1.4 If Franchisee fails to perform any of the acts, or deliver any of the notices required pursuant to this Paragraph 5 in a timely fashion, such failure shall be deemed an election by Franchisee not to exercise Franchisee’s option to enter into the Successor Franchise Agreement, and such failure shall cause Franchisee’s right and option to automatically lapse and expire, without further notice by Franchisor.

5.1.5 Franchisee acknowledges that the initial Term of this Agreement provides Franchisee more than a sufficient opportunity to recoup Franchisee’s investment in the Franchise, as well as a reasonable return on such investment.

- 5.2 Conditions of Successor Agreement. Franchisee’s right to enter into a Successor Franchise Agreement is conditioned upon the following:

5.2.1 Franchisee shall be in full compliance with this Agreement and shall have materially performed Franchisee’s obligations under this Agreement, the Manual and under all other agreements that may be in effect between Franchisee and Franchisor, including but not limited to all monetary obligations.

- 5.2.2 Franchisee shall not have committed three (3) or more events constituting default during the Term of this Agreement, whether or not such defaults were cured.
- 5.2.3 Franchisee will have completed any required additional training to Franchisor's reasonable satisfaction.
- 5.2.4 Franchisee shall have obtained the right to continue to occupy the premises of the Gofer Ice Cream Shop following the expiration of the Term hereof for the full term of the Successor Franchise Agreement and/or have received Franchisor's acceptance regarding locating the Gofer Ice Cream Shop at a new location.
- 5.2.5 Franchisee shall execute a general release of all claims Franchisee may have against Gofer Franchise Systems, LLC, its parent, subsidiaries and affiliates, its officers, directors, shareholders, agents, and employees, whether in their corporate and/or individual capacities, in the form attached hereto as Attachment 4. This release will include all claims arising under any federal, state, or local law, rule, or ordinance.
- 5.2.6 Franchisee performs such remodeling, repairs, replacements and redecoration as Franchisor may require in order to cause the Gofer Ice Cream Shop premises, equipment, fixtures, furnishings and furniture to conform to the plans and specifications being used for new or remodeled Gofer Ice Cream Shops on the Successor Agreement date.
- 5.2.7 Franchisee shall pay the required Successor Agreement Fee and sign the Successor Franchise Agreement.
- 5.3 Notice Required by Law. If applicable law requires Franchisor to give notice to Franchisee prior to the expiration of the Term, this Agreement shall remain in effect on a month-to-month basis until Franchisor has given the notice required by such applicable law. If Franchisor is not offering new Gofer Ice Cream franchises, is in the process of revising, amending or renewing Franchisor's form of franchise agreement or disclosure document, or Franchisor is not lawfully able to offer Franchisee the then current form of Successor Franchise Agreement at the time Franchisee advises Franchisor pursuant to Paragraph 5.2 hereof that Franchisee desires to renew, Franchisor may, in Franchisor's sole discretion, (i) offer to renew this Agreement upon the same terms set forth herein for the appropriate successor term or (ii) offer to extend the Term hereof on a month-to-month basis following the expiration of the Term for as long as Franchisor deems necessary or appropriate so that Franchisor may lawfully offer the then current form of Successor Franchise Agreement. Any timeframes specified in this Paragraph 5 shall be inclusive of any state mandated notice periods.
- 5.4 Additional Reservation of Rights. Notwithstanding anything herein to the contrary, Franchisor reserves the right not to enter into a successor franchise agreement for this Franchise as a result of a decision to withdraw from the Territory in which Franchisee's Gofer Ice Cream Shop is located.

6. FEES

6.1 Initial Franchise and Royalty Fee. As part of the consideration for the right to operate the Franchise granted herein, Franchisee shall pay to Franchisor the following fees:

6.1.1 Initial Franchise Fee. Franchisee acknowledges and agrees that the grant of this Franchise and the rights and obligations of the parties under this Agreement constitute the sole and only consideration for the initial franchise fee of Twenty-Five Thousand (\$25,000.00) (the “Initial Fee”). **The Initial Fee is fully earned at the time this Franchise Agreement is signed and is not refundable under any circumstances.** Franchisee shall pay the full amount of the Initial Fee to Franchisor upon Franchisee’s execution of this Agreement.

6.1.2 Royalty Fee. Franchisee agrees to pay Franchisor, throughout the Term, a royalty fee equal to five percent (5%) of the Gross Revenue, as hereinafter defined, realized from the Gofer Ice Cream Shop and from any other revenues received using Franchisor’s methods, operations and/or trade secrets (the “Royalty Fee”). The term “Gross Revenue” includes all revenues and income from any source derived or received by Franchisee from, through, by or on account of the operation of the Gofer Ice Cream Shop or made pursuant to the rights granted hereunder, including but not limited, any and all other revenues received using Franchisor’s methods, operations and/or trade secrets whether received in cash, in services, in kind, from barter and/or exchange, on credit (whether or not payment is actually received) or otherwise. Gross Revenue shall include the full amount payable by your customers, without deduction for your delivery costs, third party delivery fees or for other write-offs; however, Gross Revenue shall not include (i) any sales tax or similar taxes collected from customers and turned over to the governmental authority imposing the tax, (ii) properly documented refunds to customers, or (iii) properly documented promotional discounts (i.e. coupons). Gross Revenue does not include gift card purchases, at the time of purchase, but Gross Revenue does include the redemption amount of purchases made by gift card.

6.1.3 Gross Revenue Reports. Franchisee shall, each Wednesday for the previous week, furnish Franchisor with a report showing Franchisee’s Gross Revenue at or from the Gofer Ice Cream Shop and/or made pursuant to the rights granted hereunder during such period (the “Gross Revenue Report”). The Gross Revenue Report shall be in such form and shall contain such information as Franchisor may from time to time prescribe. Franchisor reserves the right to establish a point of sale system (“POS System”) that Franchisor may require Franchisee to use in the operation of the Gofer Ice Cream Shop. At Franchisor’s option, Franchisee shall submit, or grant Franchisor access to, the Gross Revenue Report by an electronic transfer of data via the POS System at the times and intervals then specified by Franchisor.

6.1.4 Method of Payment. Franchisee shall, together with the submission of the Gross Revenue Report, pay Franchisor the Royalty Fee and the Brand Fund Contribution, as defined and more particularly described in Article 13, then due. At Franchisor’s request, Franchisee must execute documents that allow Franchisor to automatically take the

Royalty Fee and Brand Fund Contribution due as well as other sums due Franchisor, from business bank accounts via electronic funds transfers. Franchisee's failure to allow electronic funds transfers on an ongoing basis is a material breach of this Agreement.

- 6.2. Late Fee. If the Royalty Fee, Brand Fund Contribution, or any Gross Revenue Reports are not received by Franchisor as required by this Agreement, Franchisee shall pay to Franchisor, in addition to the overdue amount, a late fee of One Hundred Dollars (\$100.00) per week. This late fee is reasonably related to Franchisor's costs resulting from the delay in payment and/or receipt of any report, is not a penalty, and is in addition to any other remedy available to Franchisor under this Agreement for Franchisee's failure to pay the Royalty Fee, the Brand Fund Contribution, and/or submit Gross Revenue Reports in accordance with the terms of this Agreement.
- 6.3. Interest. Any and all amounts that shall become due and owing from Franchisee to Franchisor under the terms hereof shall bear interest from the date due until paid at the rate of 2% above the prime rate or at the highest rate permitted by law, whichever is lower.
- 6.4. Non-Sufficient Funds Fee. In the event any of Franchisee's checks are returned, or an electronic funds transfer from Franchisee's bank account is denied, for insufficient funds, Franchisee shall pay Franchisor, in addition to the amount due, a non-sufficient funds fee of Fifty Dollars (\$50.00) per occurrence. This non-sufficient funds fee is reasonably related to Franchisor's costs resulting from the delayed and declined payment, is not a penalty, and is in addition to any other remedy available to Franchisor under this Agreement.
- 6.5. Taxes. If any sales, excise, use or privilege tax is imposed or levied by any government or governmental agency on Franchisor for any Royalty Fee, Brand Fund Contribution or other fees due and payable to Franchisor under this Agreement, Franchisee shall pay Franchisor a sum equal to the amount of such tax.
- 6.6. Technology Fee. Franchisee agrees to pay Franchisor, throughout the term of the agreement, a technology fee equal to Sixty Dollars (\$60.00) per week ("Technology Fee"). Franchisee shall pay the Technology Fee weekly, together with the Royalty Fee and Brand Fund Contribution, as defined and more particularly described in Article 13, for software license and/or maintenance fees, intranet hosting and/or maintenance, Franchise web portal access, or other services as developed in the future. Franchisor may, in its sole discretion, increase the amount owed, provided that Franchisor provides Franchisee thirty (30) days written notice.

7. TRAINING.

- 7.1 Initial Management Training Program. Franchisee (specifically including all Franchisee's principals) shall attend and complete to Franchisor's sole and absolute satisfaction, Franchisor's initial management training program ("Initial Management Training Program") at least thirty (30) days prior to the opening of the Gofer Ice Cream

Shop. The Initial Management Training Program consists of a two (2)-week course conducted at one of Franchisor's headquarters and/or affiliated owned or franchised outlet. Franchisor reserves the right to designate an alternate location for any component of the Initial Management Training Program. Franchisee must at all times during the term of this Agreement have principals who have successfully completed the Initial Management Training Program to Franchisor's sole and complete satisfaction. No charge shall be made for up to one (1) principal and one (1) General Manager (as defined below) to take the Initial Management Training Program prior to opening the Gofer Ice Cream Shop ("Initial Trainees"). Notwithstanding the foregoing, Franchisee shall be required to pay all of the expenses of the Initial Trainees, including, without limitation, costs of travel, lodging, meals and wages.

- 7.2 Satisfactory Completion. Franchisor shall determine, in Franchisor's sole discretion, whether the Initial Trainees have satisfactorily completed the Initial Management Training Program, which shall include mastery of post-course applications. If the Initial Management Training Program is not satisfactorily completed by the Initial Trainees, or if Franchisor, in Franchisor's reasonable business judgment based upon the performance of the Initial Trainees, determines that the Initial Management Training Program cannot be satisfactorily completed by Franchisee and Franchisee's Principal(s), Franchisor may terminate this Agreement.
- 7.3. Opening Assistance. During the opening of the Gofer Ice Cream Shop, Franchisor shall provide Franchisee with opening assistance by a trained representative of Franchisor. The trainer will provide on-site opening training, supervision, and assistance to Franchisee for up to five (5) days at no charge to Franchisee.
- 7.4. Additional Training. Franchisor may offer mandatory and/or optional additional training programs from time to time. If required by Franchisor, Franchisee, or Franchisee's principals shall participate in the following additional training:
- (i) on-going training at a location designated by Franchisor.
 - (ii) a national business meeting or annual convention at a location designated by Franchisor.

The total amount of required ongoing training and/or annual meetings will be five (5) days or less per year. Franchisor reserves the right to impose a reasonable fee for all additional training programs. Franchisee shall be responsible for any and all incidental expenses incurred by Franchisee or Franchisee's personnel in connection with additional training or attendance at Franchisor's national business meeting or annual convention, including, without limitation, costs of travel, lodging, meals and wages. Franchisee's failure to attend and/or complete mandatory additional training or failure to attend Franchisor's national business meeting or annual convention is a default of this Agreement. Franchisee or Franchisee's principal(s) shall be required to obtain any missed mandatory additional training at a location Franchisor designates. Franchisee shall pay all costs and expenses for such additional training, including but not limited to, tuition at the

then-current rate and any and all transportation, meals and lodging of Franchisee, Franchisee's principal and Franchisor's training personnel. Franchisee shall pay to Franchisor any incurred expenses by Franchisor's training personnel within ten (10) days of Franchisor's billing thereof to Franchisee.

- 7.5. On-Site Remedial Training. Upon Franchisee's reasonable request or as Franchisor shall deem appropriate, Franchisor shall, during the term hereof, subject to the availability of personnel, provide Franchisee with additional trained representatives who shall provide on-site remedial training and assistance to Franchisee's personnel at the Gofer Ice Cream Shop location. For any additional on-site training and assistance, Franchisee shall pay the per diem fee then being charged to franchisees under the System for the services of such trained representatives, plus their costs of travel, lodging, and meals.
- 7.6. Counseling and Assistance. In addition to visits by Franchisor's field representatives, as Franchisor deems appropriate, Franchisor shall, within reasonable limits and subject to the availability of Franchisor's personnel, upon Franchisee's request and at no charge, unless such assistance is provided at the Gofer Ice Cream Shop pursuant to Section 7.5, furnish consultation and assistance to Franchisee, either in person or by telephone, video conference, electronic mail or postal service, as determined by Franchisor, in Franchisor's sole discretion, with respect to the operation of the Gofer Ice Cream Shop, including consultation and advice regarding employee training, marketing, operation issues, purchasing and inventory control, bookkeeping and System improvements.

8. FRANCHISED LOCATION REQUIREMENTS

8.1 Site Selection

- 8.1.1. Franchisee assumes all cost, liability, expense and responsibility for obtaining and developing a site for the Gofer Ice Cream Shop within the Territory and for constructing and equipping the Gofer Ice Cream Shop at such site. Franchisee shall not make any binding commitment to a prospective vendor or lessor of real estate with respect to a site for the Gofer Ice Cream Shop unless the site location is accepted by Franchisor. While Franchisor may render assistance to Franchisee in the selection of a site, as set forth in Section 8.1.2 below, Franchisee has sole responsibility for procuring and developing a site for the Gofer Ice Cream Shop and Franchisee may and is encouraged to consult with professionals of Franchisee's choosing in discharging such responsibility. Franchisee acknowledges that Franchisor's acceptance of a prospective site location is permission only, does not constitute a representation, promise, warranty or guarantee, express or implied, by Franchisor that the Gofer Ice Cream Shop operated at that site will be profitable or otherwise successful, and cannot, and does not, create a liability for Franchisor. Franchisee releases Franchisor from any claims over the site location selection and evaluation by Franchisor, and Franchisee shall hold Franchisor harmless with respect to Franchisee's selection of the site for the Franchisee's Gofer Ice Cream Shop.

- 8.1.2. Franchisee shall locate a site that satisfies the site selection guidelines provided to Franchisee by Franchisor and shall submit to Franchisor, in writing, a description of the site, together with written certification the site complies with Franchisor's site selection guidelines, and such other information and materials as Franchisor may reasonably require. Recognizing that time is of the essence, Franchisee shall submit such information and materials for a proposed site to Franchisor for its approval no later than six (6) months after the execution of this Agreement. Franchisor shall have fifteen (15) days after receipt of this information and materials to accept or reject, in its sole and absolute discretion, the proposed site as the location for the Gofer Ice Cream Shop. If Franchisor fails to respond to Franchisee's submission within fifteen (15) days, such proposed site shall be deemed "rejected". No site may be used for the location of the Gofer Ice Cream Shop unless it is accepted in writing by Franchisor.
- 8.1.3. Within thirty (30) days after Franchisor has accepted the site for the Gofer Ice Cream Shop (or such longer period as Franchisor consents to in writing), Franchisee shall execute a lease therefor and obtain physical possession of the premises. Any lease must include Franchisor's Collateral Assignment of Lease Agreement, a copy of which is attached hereto as Attachment 6. Failure by Franchisee to acquire the site for the Gofer Ice Cream Shop within the time and in the manner required herein shall constitute a material event of default under this Agreement.
- 8.1.4. After a location for the Gofer Ice Cream Shop is accepted by Franchisor and acquired by Franchisee pursuant to this Agreement, the location shall be set forth on Attachment 3 of this Agreement, which location and attachment shall be incorporated herein and made a part hereof.

8.2. Construction.

- 8.2.1. Franchisee shall be responsible for obtaining clearances that may be required by state or local laws, ordinances or regulations or that may be necessary as a result of any restrictive covenants relating to the Gofer Ice Cream Shop premises; including but not necessarily limited to restrictions on noise, odors from paints and stains, required cross-ventilation, storage use, and disposal of paints and stains. Prior to beginning the construction of the Gofer Ice Cream Shop, Franchisee shall (a) obtain all permits, licenses, insurance and certifications required for the lawful construction or remodeling and operation of the Gofer Ice Cream Shop, including, but not limited to, permits for the installation of signage, and (b) certify in writing to Franchisor that all required approvals, clearances, permits, insurance and certifications have been obtained.
- 8.2.2. During the time of construction or remodeling, Franchisee shall provide Franchisor, or its designated representative, with such periodic reports regarding the progress in obtaining all licenses and permits; and of the construction or remodeling as may be reasonably requested by Franchisor or its representative. In addition, Franchisor or its representative may make such on-site inspections as it may deem reasonably

necessary to evaluate such progress. At least thirty (30) days prior to completion of the construction or remodeling, Franchisee shall notify Franchisor of the scheduled date for completion of construction or remodeling. Within a reasonable time after the date of completion of construction or remodeling, Franchisor or its representative may, at its option, conduct an inspection of the completed Gofer Ice Cream Shop.

- 8.2.3. Franchisee acknowledges and agrees that it will not open the Gofer Ice Cream Shop for business without the written authorization of Franchisor and that authorization to open shall be conditioned upon Franchisee's strict compliance with this Agreement.

- 8.3. Time to Open. Franchisee acknowledges that time is of the essence in this Agreement. Upon Franchisee's compliance with the conditions stated below, Franchisee shall open the Gofer Ice Cream Shop and commence business within one (1) year after Franchisee has executed this Agreement, unless Franchisee obtains a written extension of such time period from Franchisor. The date the Gofer Ice Cream Shop opens for business to the public shall be defined herein as the "Opening Date". Prior to the Opening Date, Franchisee shall (i) complete all exterior and interior preparations for the Gofer Ice Cream Shop, including installation and cleaning of equipment, fixtures, furnishings and signs, in accordance with System requirements and the plans and specifications consented to by Franchisor, (ii) satisfactorily complete Franchisor's Initial Management Training Program, as further set forth in Article 7, (iii) hire and train staff, if required, and (iv) obtain all required licenses to operate the Gofer Ice Cream Shop. If Franchisee fails to comply with any of such obligations, Franchisor shall have the right to prohibit Franchisee from opening for business. Franchisee's failure to open the Gofer Ice Cream Shop and commence business (i) in accordance with the foregoing and (ii) within one (1) year following the date of this Agreement, unless otherwise extended by Franchisor, shall be deemed a material event of default under this Agreement.

- 8.4. No Relocation. Franchisee's rights to operate the Gofer Ice Cream Shop shall be limited to the location set forth in Attachment 3, and no other. Franchisee shall not relocate the Gofer Ice Cream Shop at any time without Franchisor's written approval, which approval shall be granted only in the sole and complete discretion of Franchisor, and if permitted, shall be at Franchisee's sole expense, and subject to the following:

- 8.4.1. Franchisee shall construct and develop the new premises to conform to Franchisor's then-current specifications for design, appearance and leasehold improvements for new Gofer Ice Cream Shops;

- 8.4.2. Franchisee shall remove any signs or other property from the original Gofer Ice Cream Shop location which identified the original Gofer Ice Cream Shop location as part of the System;

- 8.4.3. Franchisee agrees that, during the build-out, decorating and furnishing of the new location, and at Franchisor's sole and absolute discretion: (i) the term of this

Agreement shall not be abated, and (ii) Franchisee shall remain liable to pay a minimum Royalty Fee and Brand Fund Contribution that is equal to the average amount paid by Franchisee during the four (4) calendar quarters immediately preceding the date that operations cease or the shorter period that Franchisee had been in business at the original Gofer Ice Cream Shop location; and

8.4.4. Franchisor shall Issue a revised Attachment 3, in accordance with 8.1.4 to reflect the address of the new Gofer Ice Cream Shop location.

8.4.5. If a relocation site acceptable to Franchisor is not identified within ninety (90) days following Franchisee's request to relocate, Franchisor may terminate this Agreement.

9. Maintenance and IMPROVEMENT OF THE FRANCHISED LOCATION AND SYSTEM

9.1. Maintenance of Gofer Ice Cream Shop Location. Franchisee shall equip and maintain the Gofer Ice Cream Shop location, equipment, and all required computer hardware and software and related accessories to the standards of décor, sanitation, repair and condition required by Franchisor, which standards are specified in the Manual and other written directives, standards and specifications. Franchisee, at Franchisee's expense, shall make such additions, alterations, repairs, refurbishing and replacements as may be required to comply with Franchisor's standards, including, without limitation, periodic repainting and repairs or replacement of worn or impaired décor, materials, furniture, fixtures, equipment, and signage as Franchisor may direct.

9.2. Inspections. Franchisee shall operate and maintain the Gofer Ice Cream Shop and Gofer Ice Cream Shop location in conformance with best practices for food and beverage storage, handling, preparation, service and disposal and in a manner that will ensure the highest possible rating for businesses of like kind from the governmental authorities that may inspect such businesses in the Territory. Franchisee shall submit to Franchisor a copy of any inspection reports. It shall be a default of this Agreement if, upon inspection, Franchisee does not obtain such rating or if Franchisee fails to operate in accordance with the general standards of quality, maintenance, repairs and sanitation required by the System and this Section 9.2, and Franchisor may, at its option, terminate this Agreement.

9.3. Equipment and Technology Updates. Franchisee shall make any and all upgrades to equipment, including but not limited to, design, display and storage equipment, POS Systems, and computer hardware and software, and any technology used in conjunction therewith, as Franchisor requires in its sole and absolute discretion.

9.4. Trade Dress Modifications.

9.4.1. Franchisee is aware that to maintain and improve the image and reputation of the System, Franchisor, in its sole and absolute discretion, may change and modify identifying elements of the System, including but not limited to, the adoption and use

of new or modified exterior building designs, interior decors, color schemes, marks, and/or furnishings (collectively, “Trade Dress Modifications”).

9.4.2. Franchisee shall refurbish the Gofer Ice Cream Shop location or modify identifying elements of the Gofer Ice Cream Shop, at Franchisee’s sole expense, as required by Franchisor, but not more frequently than every five (5) years, to conform to Trade Dress Modifications. This includes, without limitation, structural changes, remodeling, redecoration, and modifications to existing improvements. Notwithstanding the foregoing restriction on the frequency of Trade Dress Modifications, Franchisee, upon notice by Franchisor and in accordance with Section 14.6 hereof, shall immediately discontinue the use of any Mark that is no longer desirable or available to Franchisor and substitute a different Mark or Marks as Franchisor directs.

9.4.3. Franchisee will accept, use and display any such Trade Dress Modifications as if they were a part of this Franchise Agreement at the time of execution hereof.

9.5. No Liability/Waiver of Claims. Franchisor shall not be liable to Franchisee for any expenses, losses or damages sustained by Franchisee as a result of any of the modifications, including Trade Dress Modifications, required by this Article 9. Franchisee hereby covenants not to commence or join in any litigation or other proceeding against Franchisor or any third party, complaining of any such or seeking expenses, losses or damages caused thereby. Further, Franchisee expressly waives any claims, demands or damages arising from or related to the modifications contemplated by this Article 9, including, without limitation, any claim of breach of contract, breach of fiduciary duty, fraud, and/or breach of the implied covenant of good faith and fair dealing.

9.6. Franchisee Advisory Council. Franchisor reserves the right to create (and if created, the right to change or dissolve) a franchisee advisory council as a formal means for System franchisees to communicate ideas. In the event a franchisee advisory council is created, Franchisor may invite Franchisee to participate in council-related activities and meetings, which invitation may be based on a franchisee’s level of success, superior performance and studio profitability.

10. FRANCHISOR’S OBLIGATIONS

Franchisor and/or its designated representative will provide the services described below:

10.1. Site Selection Guidelines. Site selection criteria, as Franchisor may deem advisable. Franchisor shall also approve the site in accordance with Section 8.1.2.

10.2. Construction. Provide to Franchisee criteria and specifications for a Gofer Ice Cream. Such criteria and specifications include, but are not necessarily limited to, criteria with respect to required food storage and preparation and ventilation systems. Franchisee shall independently, and at Franchisee’s expense, have such criteria and specifications

incorporated into the construction of the Gofer Ice Cream Shop in accordance with Article 8.

- 10.3. Manual. Provide Franchisee access to the Confidential Operations Manual and such other manuals and written materials as Franchisor may hereafter develop for use by franchisees, as the same may be revised by Franchisor from time to time. Such documents may be provided electronically or via the Internet, at Franchisor's sole and absolute discretion.
- 10.4. Inspection. Inspection of the Gofer Ice Cream Shop and evaluations of the products sold and services rendered therein whenever reasonably determined by Franchisor.
- 10.5. Pre-Opening Requirements. Provide Franchisee with a written list of equipment, fixtures, furnishings, signage, supplies and products that will be required and/or recommended to open the Gofer Ice Cream Shop for business.
- 10.6. Advertising Materials. Provide samples or camera-ready artwork of certain advertising and promotional materials and information developed by Franchisor from time to time for use by Franchisee in marketing and conducting local advertising for the Gofer Ice Cream Shop.
- 10.7. List of Suppliers. Make available from time to time, and amend as deemed appropriate by Franchisor, a list of approved and/or recommended suppliers of products and services for System franchisees.
- 10.8. Training. The training programs specified in Article 7 herein.
- 10.9. On-Site Assistance. On-site post-opening assistance at the Gofer Ice Cream Shop location in accordance with the provisions of Article 7.
- 10.10. Brand Fund. Administer a Brand Fund in accordance with Section 13.3.

11. FRANCHISEE'S REPRESENTATIONS, WARRANTIES AND COVENANTS

- 11.1. Best Efforts. Franchisee, including each of Franchisee's Principals covenants and agrees that he or she shall make all commercially reasonable efforts to operate the Gofer Ice Cream Shop so as to achieve optimum sales.
- 11.2. Corporate Representations. If Franchisee is a corporation, partnership, limited liability company, or other legal entity, Franchisee and each Principal represent, warrant and covenant that:
 - 11.2.1. Franchisee is duly organized and validly existing under the state law of its formation;

- 11.2.2. Franchisee is duly qualified and is authorized to do business in the jurisdiction of the Gofer Ice Cream Shop location and the Territory;
- 11.2.3. Franchisee's organizational documents shall at all times provide that the activities of Franchisee are confined exclusively to the operation of the Franchise granted herein, unless otherwise consented to in writing by Franchisor, which consent may be withheld by Franchisor in Franchisor's sole discretion;
- 11.2.4. The execution of this Agreement and the consummation of the transactions contemplated hereby are within Franchisee's power and have been duly authorized by Franchisee;
- 11.2.5. Any financial statements and tax returns provided to Franchisor shall be certified as true, complete and correct and shall have been prepared in conformity with generally accepted accounting principles applicable to the respective periods involved and, except as expressly described in the applicable notes, applied on a consistent basis. No material liabilities, adverse claims, commitments or obligations of any nature exist as of the date of the statements or returns, whether accrued, unliquidated, absolute, contingent or otherwise, that are not reflected as liabilities; and
- 11.3 Spousal Guaranty. If any Franchisee or Principal is a married individual and the Franchisee's or Principal's spouse has not executed this Agreement, such Franchisee or Principal shall cause his or her spouse to personally execute and bind himself or herself to the terms of a Guaranty, in the form attached as Attachment 8 hereof.
- 11.4 Appointment of Manager.
- 11.4.1. Franchisee shall designate and retain at all times a general manager ("General Manager") to direct the operation of the Gofer Ice Cream Shop location. Franchisee shall designate its General Manager prior to attending the Initial Management Training Program. The General Manager shall be responsible for the daily operation of the Gofer Ice Cream Shop location.
- 11.4.2 The General Manager shall, during the entire period he or she serves as General Manager, meet the following qualifications:
- 11.4.2.1. Meet all Franchisor's standards and criteria for such individual(s), as set forth in the Manual or otherwise in writing by Franchisor, and shall be an individual otherwise acceptable to Franchisor in its sole discretion.
- 11.4.2.2. Devote his or her full time and best efforts to the supervision and management of the Gofer Ice Cream Shop, and may not engage in any other business activity without the Franchisor's consent, which may be withheld in Franchisor's sole discretion.

11.4.2.3. Satisfy the training requirements set forth in Article 7.

11.4.3. If the General Manager is not able to continue to serve in such capacity, or no longer qualifies to act as such in accordance with this Agreement, Franchisee shall promptly notify Franchisor and designate a replacement within thirty (30) days after the General Manager ceases to serve, such replacement being subject to the same qualifications required by this Agreement. Franchisee's replacement General Manager shall attend and satisfactorily complete the Initial Management Training Program, at Franchisee's sole cost and expense, including the payment of the then-current tuition rate, within sixty (60) days of being appointed. Until such replacement is designated and trained, Franchisee shall provide for interim management of the Gofer Ice Cream Shop, who shall act in accordance with the terms of this Agreement. Any failure to comply with the requirements of this Section shall be deemed a material event of default under this Agreement. Franchisor, in Franchisor's sole discretion, may provide interim management support and charge Franchisee twenty percent (20%) of the Gross Revenue generated by the Gofer Ice Cream Shop during Franchisor's operation thereof until such General Manager is properly trained or certified in accordance with Franchisor's requirements, plus any and all costs of travel, lodging, meals and other expenses reasonably incurred by Franchisor, and shall be withdrawn from Franchisee's designated bank account in accordance with Section 6.1.4.

11.5. Legal Compliance. Franchisee shall comply with all federal, state and local laws, rules and regulations and shall timely obtain any and all permits, certificates or licenses necessary for the full and proper conduct of the Gofer Ice Cream Shop. Such laws, rules and regulations shall include, without limitation, licenses to do business, health and sanitation inspections if required, fictitious name registrations, sales and other tax permits, fire and police department clearances, Americans With Disability Act compliance, health permits, certificates of occupancy, any permits, certificates or licenses required by any environmental federal, state or local law, rule or regulation and any other requirement, rule, law or regulation of any federal, state or local jurisdiction. Franchisee shall further comply with all industry best practices with respect to the handling, storage and disposal of paints and stains, and studio ventilation systems.

11.6. Claims and Potential Claims. Franchisee shall notify Franchisor in writing within three (3) days of any incident or injury that could lead to, or the actual commencement of any action, suit or proceeding and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which in any way relating to or affecting the operation or financial condition of the Gofer Ice Cream Shop. Any and all media inquiries concerning the Gofer Ice Cream Shop or Gofer Ice Cream Shop location, including, but not limited to, the business operation and incidents and occurrences related to a customer or employee, shall be referred to Franchisor. Neither Franchisee, Franchisee's employees nor anyone on Franchisee's behalf may comment to any broadcast medium, except as directed by Franchisor.

- 11.7. Assignment of Numbers and Listings. At Franchisor's request, Franchisee shall execute such forms and documents as Franchisor deems necessary to appoint Franchisor its true and lawful attorney-in-fact, with full power and authority, for the sole purpose of assigning to Franchisor, Franchisee's telephone numbers and listings; and provide Franchisor with passwords and administrator rights for all email, software, social media, or other such accounts used or created by Franchisee in order to operate the Franchised Business. Upon the expiration or termination of this Agreement, Franchisor may exercise its authority, pursuant to such documents, to obtain any and all of Franchisee's rights to the telephone numbers of the Gofer Ice Cream Shop and all related telephone directory listings and other business listings, and all Internet listings, domain names, Internet advertising, websites, listings with search engines, electronic mail addresses, social media, or any other similar listing or usages related to the Gofer Ice Cream Shop.
- 11.8. Access to Tax Filings. Upon execution of this Agreement, and at any time thereafter upon Franchisor's request, Franchisee shall execute such forms and documents as Franchisor deems necessary, to appoint Franchisor its 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 or federal taxing authority.
- 11.9. Continuing Obligation. Franchisee and each Principal acknowledge and agree that the representations, warranties and covenants set forth in this Article 11 are continuing obligations of Franchisee and each Principal, as applicable, and that any failure to comply with such representations, warranties and covenants shall constitute a material event of default under this Agreement. Franchisee and each Principal shall cooperate with Franchisor in any efforts made by Franchisor to verify compliance with such representations, warranties and covenants.

12. FRANCHISEE'S OPERATIONS

- 12.1. Operation of Gofer Ice Cream Shop Location. In order to maintain the highest degree of quality and service on a uniform System-wide basis, Franchisee shall operate the Gofer Ice Cream Shop in conformity with the methods, standards and specifications prescribed by Franchisor. Franchisee agrees to comply with the Manual, as it is modified from time to time, and all directives, rules and procedures specified by Franchisor, and will, among other things:
- 12.1.1. Use only those furnishings, fixtures, décor, equipment, supplies, and signage that conform with Franchisor's specifications and/or which shall be purchased from only those vendors designated and approved by Franchisor;
- 12.1.2. Maintain and operate the Gofer Ice Cream Shop location in attractive condition and good repair, using Franchisee's best efforts to maintain a clean, enjoyable and inviting atmosphere therein in accordance with System standards, the Manual and all other directives and requirements of Franchisor, and do such redecoration, repairing, refurbishing and restoration as from time to time may be reasonably

required to meet System standards and Franchisor's requirements as they may be modified from time to time;

- 12.1.3. Procure the necessary licenses or permits to allow the operation of the Gofer Ice Cream Shop and otherwise comply with all applicable governmental laws, ordinances, rules and regulations including those related to health and sanitation;
- 12.1.4. Maintain sufficient inventories of ingredients and supplies, as prescribed by Franchisor;
- 12.1.5. Conduct sales in accordance with Franchisor's standards and specifications. Franchisee acknowledges and accepts that Franchisee may only engage in providing food and beverage service to end-users. Franchisee is expressly prohibited from selling products outside of the Territory, on the internet except as expressly permitted in the Operations Manual, to dealers and/or to distributors for subsequent resale, and engaging in such sales shall be a material default of this Agreement;
- 12.1.6. Employ only qualified individuals who are trained in accordance with Franchisor's standards, including but not limited to the protection of Franchisor's confidential and proprietary information, and who will at all times enhance Franchisor's brand and conduct themselves in a competent and courteous manner in accordance with this Agreement and the image and reputation of the System. Franchisee shall use its best efforts to insure that Franchisee's employees maintain a neat and clean appearance and render competent and courteous service to patrons of the Gofer Ice Cream Shop. Franchisee acknowledges and agrees that poorly trained employees, sloppy or unclean appearances and incompetent or discourteous service are extremely damaging to the goodwill of the System and the Marks and are a material default of this Agreement;
- 12.1.7. Permit Franchisor or its agents, to inspect the Gofer Ice Cream Shop location and any services, products or equipment, to determine whether they meet Franchisor's then-current standards, specifications and requirements. In addition to any other remedies Franchisor may have, Franchisee shall reimburse Franchisor for Franchisor's inspection costs of any item that does not conform to the System standards and specifications;
- 12.1.8. Prominently display signs in and upon the Gofer Ice Cream Shop location using the Marks and/or other advertising and/or signs of such nature, form, color, number, location and size, and containing such material, as Franchisor may from time to time reasonably direct or approve in writing; and to refrain from using any sign, advertising media, or identifying element of any kind to which Franchisor reasonably objects, including signs and advertising media which have been outdated. Upon giving Franchisee notice of its objection to same or upon termination hereof, Franchisor may at any time enter upon the Gofer Ice Cream Shop location or elsewhere and remove any objectionable or non-approved sign,

advertising media or identifying element and keep or destroy same without paying therefor or without being deemed guilty of trespass or any other tort; and

- 12.1.9. Conduct all advertising programs in a manner consistent with Franchisor's standards and specifications, in a manner satisfactory to Franchisor and that will not detract from the reputation of the System or the Marks.

12.2. Bookkeeping and Reports.

- 12.2.1. Franchisee agrees to keep and maintain complete and accurate books and records of its transactions and business operations using the accounting procedures specified by Franchisor. Franchisee agrees to purchase the computer systems specified in Section 12.3 to maintain the records and accounts of the Franchisee to the standards of the Franchisor. Franchisee acknowledges and agrees that the financial performance of Franchisee's Franchised Business may be published in franchise disclosure document(s) issued by Franchisor following the Effective Date hereof.
- 12.2.2. Within thirty (30) days after the close of each calendar month and within sixty (60) days after the close of each fiscal year, Franchisee will furnish Franchisor a full and complete written statement of income and expense and a profit and loss statement for the operation of the Gofer Ice Cream Shop during said period, together with a balance sheet for the Gofer Ice Cream Shop, all of which shall be prepared in accordance with generally accepted accounting principles and practice. Franchisee's annual statements and balance sheets shall be prepared by an independent certified public accountant and certified to be correct.
- 12.2.3. The financial statements required hereunder shall be in such form and contain such information as Franchisor may from time to time reasonably designate.
- 12.2.4. Franchisor reserves the right to require Franchisee to engage the services of a third-party accounting services firm, designated and approved by Franchisor, in the event that (i) Franchisee fails to keep books and records in accordance with Franchisor's standards or (ii) Franchisor, in its sole discretion, determines that use of a third-party accounting services firm by all System franchisees is beneficial to the System.
- 12.2.5. Franchisor shall have the right at all reasonable times to examine, at its expense, Franchisee's books, records, and tax returns. If Franchisor's examination finds that any Gross Revenue Report was understated by two percent (2%) or more, Franchisee shall reimburse Franchisor for the cost of such examination and pay the Franchisor the amounts due together with interest thereon at the rate provided herein. Such understatement may be considered a material default hereunder. Two (2) such understatements during the term of this Agreement may, at the option of Franchisor, be considered an incurable default and thereby subject to termination as provided herein.

12.3. Computer Systems.

- 12.3.1. Franchisee, at Franchisee's sole expense, shall install and maintain the POS System and computer hardware and software Franchisor requires for the operation of the Gofer Ice Cream Shop and shall follow the procedures related thereto that Franchisor specifies in the Manual or otherwise in writing.
- 12.3.2. Franchisor may require Franchisee, at Franchisee's sole expense, to install and maintain systems and web-based payment processing accounts that permit Franchisor to independently and electronically access and retrieve any information stored in Franchisee's POS System, other computer systems and web-based payment processing accounts, including, without limitation, information concerning Gross Revenue. Upon Franchisor's request, Franchisee shall execute such documents as Franchisor deems necessary to permit Franchisor to independently and electronically access and retrieve all information stored on Franchisee's POS System, other computer systems and web-based payment processing accounts.
- 12.3.3 Any and all customer data collected or provided by Franchisee, retrieved from Franchisee's POS System, or otherwise collected from Franchisee by Franchisor or provided to Franchisor, is and will be owned exclusively by Franchisor and will be considered to be Franchisor's proprietary and Confidential Information. Franchisor has the right to use such data in any manner without compensation to Franchisee. Franchisor licenses to Franchisee the use of such data solely for the purpose of operating the Gofer Ice Cream Shop; provided that, this license shall automatically and irrevocably terminate, without any additional action or notice required by Franchisor, upon the expiration or earlier termination of this Agreement.
- 12.3.4. Franchisor may require Franchisee, at Franchisee's sole expense, to enter into software license agreements in the form that Franchisor requires for software Franchisor develops or acquires for use in the System.
- 12.3.5. Franchisee shall have and maintain adequate hardware and software in order to access the Internet at the speed required by Franchisor from time to time. Franchisee shall utilize the electronic mail account provided by Franchisor. Franchisee shall promptly read and respond to all electronic mail related to the Gofer Ice Cream Shop no less often than on a daily basis and shall accept and acknowledge receipt of all electronic mail sent by Franchisor. Franchisee shall not establish any website or other listing on the Internet except as provided and specifically permitted herein.
- 12.3.6. Franchisor has established a website that provides information about the System and the products and services offered by the Gofer Ice Cream System (the "Website"). Franchisor has sole discretion and control over the Website. Franchisor shall include a listing on its Website linking Franchisee's Gofer Ice Cream Shop location and calendar. Franchisee has no ownership or other proprietary rights to Franchisor's website and Franchisee will lose all rights to such

link to Franchisee's location upon expiration or termination of this Agreement for any reason.

12.3.7. In addition to Franchisee's obligations pursuant to Section 6.4 hereof, Franchisee shall pay all other fees, whether to Franchisor or to third party vendor(s), and expenses for technology required by this Agreement, including but not limited to, the costs of computer hardware and software, regularly recurring fees for software and Internet access, license fees, help desk fees, licensing or user-based fees for a franchise portal or a benchmarking platform.

12.4. Safety and Security of Premises. Franchisee is solely responsible for the safety and security of the Gofer Ice Cream Shop location for Franchisee, Franchisee's personnel, customers, agents and the general public. Any suggestions by Franchisor on such matters are for guidance only and not binding on Franchisee. All matters of safety and security are within Franchisee's discretion and control, and Franchisee's indemnification obligations set forth in Section 15.6 hereof shall apply to any claims made against Franchisor regarding safety or security.

12.5. Prices. With respect to the offer and sale of all services and products, Franchisor will from time to time offer guidance with respect to the selling price for such goods, products and services. Franchisee is in no way bound to adhere to any such recommended or suggested price. Franchisee shall have the right to sell its products and provide services at any price that Franchisee may determine. If Franchisee elects to sell any or all its 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.

12.6. Unapproved Item/Suppliers. If Franchisee desires to purchase, lease or use any unapproved equipment, product, or service or to purchase, lease or use any equipment, product or service from an unapproved supplier, Franchisee shall submit to Franchisor a written request for such approval prior to utilizing such product, service or supplier. Franchisee shall not purchase or lease any item or use any supplier until and unless such item or supplier has been approved in writing by Franchisor. Franchisor shall have the right to require that its representatives be permitted to inspect the supplier's facilities and to test or otherwise evaluate samples from the supplier. A proposed item/supplier evaluation fee (the "Evaluation Fee") equal to the actual cost and expense for inspection and testing by Franchisor shall be paid by Franchisee to Franchisor. Franchisor shall notify Franchisee whether Franchisor approves or disapproves of the proposed item or supplier within thirty (30) days after Franchisor receives all required information to evaluate the product, service or supplier. Franchisor reserves the right, at its option, to re-inspect from time to time the facilities and products of any such approved supplier and to revoke its approval upon the supplier's failure to continue to meet any of Franchisor's then-current criteria. Nothing in the foregoing shall be construed to require Franchisor to approve any particular item or supplier. In the event Franchisee purchases, leases or uses any unapproved equipment, product or service or purchases, leases or uses any equipment, product or service from an unapproved supplier, Franchisor reserves the right

to charge Franchisee a fine (“Prohibited Product or Service Fine”) of up to Two Hundred Fifty Dollars (\$250) per day that Franchisee uses such unapproved equipment, product, service or supplier.

12.7. External Quality Assurance Services. Franchisor reserves the right to establish quality assurance programs conducted by third-party providers, including, but not limited to, mystery shop programs and periodic quality assurance audits (“Quality Review Services”). Upon Franchisor’s request and at Franchisee’s sole cost and expense, Franchisee shall subscribe, to any such third-party provider for Quality Review Services to monitor the operations of the Gofer Ice Cream Shop as directed by Franchisor.

12.8. Variations in Standards. Notwithstanding anything to the contrary contained in this Agreement and this Section 12 in particular, Franchisee acknowledges and agrees that because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege, at its sole discretion and as it may deem in the best interests of all concerned in any specific instance, to vary performance standards for some franchisees based upon the peculiarities and characteristics of the particular site or circumstance, business potential, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of such particular franchise business. Franchisor has full rights to vary standard specifications and practices for any other franchisee at any time without giving Franchisee comparable rights. Franchisee shall not be entitled to require Franchisor to disclose or grant to Franchisee a like or similar variation.

13. ADVERTISING, PROMOTIONS AND RELATED FEES

13.1. Advertising Programs. Franchisor may from time to time develop and administer advertising and sales promotion programs designed to promote and enhance the collective success of all Gofer Ice Cream Shops operating under the System. Franchisee shall participate in all such advertising and sales promotion programs in accordance with the terms and conditions established by Franchisor from time to time for each program. In all aspects of these programs, including, without limitation, the type, quantity, timing, placement and choice of media, market areas and advertising agencies, the standards and specifications established by Franchisor, as modified from time to time, shall be final and binding upon Franchisee.

13.2. Local Advertising.

13.2.1. In addition to the ongoing advertising contributions set forth herein, and following the expenditures set forth in Section 13.2.3 below, Franchisee shall spend monthly, throughout the term of this Agreement, not less than one percent (1%) of Gross Revenues per year on advertising for the Gofer Ice Cream Shop in the Territory (“Local Advertising”). Franchisor may require Franchisee to allocate to an advertising cooperative, as described in Section 13.4, some or all of Franchisee’s required Local Advertising expenditures. Such allocation will be in partial or full satisfaction of Franchisee’s obligations pursuant to this Section 13.2.1. Franchisor

reserves the right to collect some or all of the Franchisee's Local Advertising expenditure and implement Local Advertising on Franchisee's behalf.

13.2.2. Within sixty (60) days of the close of each calendar year Franchisee shall provide a yearly expenditure report accurately reflecting Franchisee's Local Advertising expenditures for the preceding calendar year. The following costs and expenditures incurred by Franchisee shall **not** be included in Franchisee's expenditures on Local Advertising for purposes of this Section, unless approved in advance by Franchisor in writing: (i) incentive programs for employees or agents of Franchisee; (ii) research expenditures; (iii) salaries and expenses of any of Franchisee's personnel to attend advertising meetings, workshops or other marketing activities; (iv) charitable, political or other contributions or donations.

13.2.3. In addition to the requirements of Section 13.2.1, during the thirty (30) days prior to and thirty (30) days after the opening of the Gofer Ice Cream Shop, Franchisee shall conduct a grand opening marketing campaign in the Territory in which Franchisee must spend at least One Thousand Dollars (\$1,000.00) to Two Thousand Dollars (\$2,000.00) on marketing, promotion and awareness-generating activities. Franchisor shall advise Franchisee on a grand-opening campaign, and Franchisee acknowledges that additional funds may be required for approved grand-opening activities in the Territory. Franchisor reserves the right to collect some or all of Franchisee's grand opening funds and implement grand opening campaign activities on Franchisee's behalf.

13.3. Brand Fund.

13.3.1. Franchisor has established a national fund on behalf of the System for national advertising, marketing and brand development (the "Brand Fund"). Franchisee is required to contribute to the Brand Fund one percent (1%) of the Gross Revenue generated weekly by the Gofer Ice Cream Shop ("Brand Fund Contribution"). Franchisor reserves the right, in Franchisor's sole discretion and at any time and from time to time, to increase the amount of the Brand Fund Contribution to any amount not to exceed two percent (2%) of the Gross Revenue. Payments will be made in the same manner and time as the Royalty Fees. If Franchisee fails to timely report Gross Revenue, then, in addition to a late fee and interest pursuant to Sections 6.2 and 6.3 hereof, Franchisor shall collect one hundred twenty percent (120%) of the last Brand Fund Contribution payable. Franchisor shall reconcile amounts when Gross Revenues are reported.

13.3.2. Franchisor shall direct the Brand Fund and shall have sole discretion to approve or disapprove the creative concepts, materials and media used in such programs and the placement and allocation thereof. Franchisee agrees and acknowledges that the Brand Fund is intended to maximize general public recognition and acceptance of the Marks and enhance the collective success of all Gofer Ice Cream Shops operating under the System.

- 13.3.3. Franchisor may, but has no obligation to, contribute to the Brand Fund on the same basis as Franchisee with respect to Gofer Ice Cream outlets operated by Franchisor or Franchisor's affiliates.
- 13.3.4. Franchisor may use the Brand Fund to satisfy any and all costs of developing, preparing, producing, directing, administering, conducting, maintaining and disseminating advertising, marketing, promotional and public relations materials, programs, campaigns, sales and marketing seminars and training programs of every kind and nature, through media now existing or hereafter developed (including, without limitation, the cost of television, radio, magazine, social media, newspaper and electronic advertising campaigns; direct mail and outdoor billboard advertising; public relations activities; conducting marketing research, employing advertising agencies to assist therein; developing, enhancing and maintaining the Website; and personnel and other departmental costs for advertising that Franchisor internally administers or prepares).
- 13.3.5 The Brand Fund will not be used to defray any of Franchisor's general operating expenses, except for reasonable administrative costs and overhead that Franchisor may incur in activities related to the administration and direction of the Brand Fund and such costs and expenses pursuant Section 13.3.4. The Brand Fund and its earnings shall not otherwise inure to Franchisor's benefit; provided however, that Franchisor reserves the right to use up to ten percent (10%) of Brand Fund Contributions per year in assisting Franchisor in soliciting new franchise sales.
- 13.3.6. Franchisor will prepare an unaudited annual statement of the Brand Fund's operations and will make it available to Franchisee upon request. In administering the Brand Fund, Franchisor undertakes no obligation to make expenditures for Franchisee that are equivalent or proportionate to Franchisee's contribution or to ensure that any particular franchisee benefits directly or pro rata from the production or placement of advertising.
- 13.3.7. Although the Brand Fund is intended to be of perpetual duration, Franchisor may terminate it at any time and for any reason or no reason. Franchisor will not terminate the Brand Fund, however, until all monies in the Brand Fund have been spent for advertising or promotional purposes or returned to contributors, without interest, on the basis of their respective contributions.
- 13.4. Regional Advertising. Franchisor reserves the right to establish, in Franchisor's sole discretion, a regional advertising cooperative. If a regional cooperative is established during the term of this Agreement, Franchisee agrees to sign all documents Franchisor requests to become a member of the cooperative according to the terms of the documents. If Franchisor establishes a regional cooperative, Franchisee agrees to contribute amounts Franchisor requires, in addition to required Brand Fund Contributions.
- 13.5. Directory Listings. At Franchisee's sole cost and expense, Franchisee must list the Gofer Ice Cream Shop in local business directories, including, but not limited to, listings on

Internet search engines. If feasible, and with Franchisor's prior written approval, Franchisee may do cooperative listings with other System franchisees. Notwithstanding the foregoing, Franchisee may not maintain any business profile on Facebook, Twitter, LinkedIn, YouTube or any other social media and/or networking site without Franchisor's prior written approval and in strict accordance with Franchisor's requirements.

- 13.6. Approval of Advertising. All advertising and promotion by Franchisee, in any medium, shall be conducted in a professional manner and shall conform to the standards and requirements of Franchisor as set forth in the Manual or otherwise. Franchisee shall submit to Franchisor for its approval samples of all advertising, press releases, promotional plans and materials and public relations programs that Franchisee desires to use, including, without limitation, any materials in digital, electronic or computerized form, or in any form of media now or hereafter developed that have not been either provided or previously approved by Franchisor. Franchisor shall approve or disapprove such plans and materials within fifteen (15) days of Franchisor's receipt thereof. If Franchisor fails to respond to Franchisee's submission within fifteen (15) days, such plans and materials shall be deemed "disapproved". Franchisee shall not use such unapproved plans or materials until they have been approved by Franchisor in writing, and shall promptly discontinue use of any advertising or promotional plans or materials, whether or not previously approved, upon notice from Franchisor. Any advertising, marketing or sales concepts, programs or materials proposed or developed by Franchisee for the Gofer Ice Cream brand and approved by Franchisor may be used by other System franchisees without any compensation to Franchisee.

14. INTELLECTUAL PROPERTY

14.1 Ownership.

- 14.1.1. Franchisee expressly understands and acknowledges that Gofer Properties, LLC, or its successor, ("Licensor") is the record owner of the Marks. Franchisor holds the exclusive right to license the Marks to franchisees of the System for use pursuant to the System. Franchisee further expressly understands and acknowledges that Franchisor and/or Licensor claims copyrights on certain material used in the System, including but not limited to its website, documents, project designs, advertisements, promotional materials and the Manual, whether or not Franchisor has filed for copyrights thereto with the U.S. Copyright Office. The Marks and copyrights, along with Franchisor's trade secrets, service marks, trade dress and proprietary systems are hereafter collectively referred to as the "Intellectual Property".
- 14.1.2. As between Franchisor and Franchisee, Licensor and Franchisor are the owner of all right, title and interest in and to the Intellectual Property and the goodwill associated with and symbolized by them.

- 14.2. No Interference. Neither Franchisee nor any Principal shall take any action that would prejudice or interfere with the validity of Franchisor's or Licensor's rights with respect to the Intellectual Property. Nothing in this Agreement shall give the Franchisee any right, title, or interest in or to any of the Intellectual Property or any of Franchisor's or Licensor's service marks, trademarks, trade names, trade dress, logos, copyrights or proprietary materials, except the right to use the Intellectual Property and the System in accordance with the terms and conditions of this Agreement for the operation of a Gofer Ice Cream Shop and only at or from the Gofer Ice Cream Shop location or in approved advertising related to the Gofer Ice Cream Shop.
- 14.3. Goodwill. Franchisee understands and agrees that any and all goodwill arising from Franchisee's use of the Intellectual Property and the System shall inure solely and exclusively to the benefit of Franchisor and Licensor, and upon expiration or termination of this Agreement and the license herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the Intellectual Property.
- 14.4. Validity. Franchisee shall not contest the validity of, or Franchisor's or Licensor's interest in, the Intellectual Property or assist others to contest the validity of, or Franchisor's or Licensor's interest in, the Intellectual Property.
- 14.5. Infringement. Franchisee acknowledges that any unauthorized use of the Intellectual Property shall constitute an infringement of Franchisor's or Licensor's rights in the Intellectual Property and a material event of default hereunder. Franchisee shall provide Franchisor or Licensor with all assignments, affidavits, documents, information and assistance Franchisor or Licensor reasonably requests to fully vest in Franchisor or Licensor all such rights, title and interest in and to the Intellectual Property, including all such items as are reasonably requested by Franchisor or Licensor to register, maintain and enforce such rights in the Intellectual Property.
- 14.6. Substitution. Franchisor reserves the right to substitute different Marks for use in identifying the System and the Gofer Ice Cream Shop, if it in its sole discretion, determines that substitution of different Marks will be beneficial to the System. Franchisor will not be liable to Franchisee for any expenses, losses or damages sustained by Franchisee as a result of any additions, modifications, substitutions or discontinuation 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.
- 14.7. Franchisee's Use of the Intellectual Property. With respect to Franchisee's use of the Intellectual Property pursuant to this Agreement, Franchisee further agrees that:
- 14.7.1 Unless otherwise authorized or required by Franchisor, Franchisee shall advertise the Gofer Ice Cream Shop only under the Marks "Gofer Ice Cream" and design. Franchisee shall not use the Marks, or any portions, variations, or derivatives thereof, as part of its corporate or other legal name. All fictitious names used by

Franchisee shall bear the designation “a franchisee of Gofer Franchise Systems, LLC”.

14.7.2. Franchisee shall identify itself as the owner of the Gofer Ice Cream Shop and as an independent Gofer Ice Cream franchisee in conjunction with any use of the Intellectual Property, including, but not limited to, uses on invoices, order forms, receipts and contracts, as well as the display of a notice in such content and form and at such conspicuous locations on the premises of the Gofer Ice Cream Shop as Franchisor may designate in writing.

14.7.3. Franchisee shall not use the Intellectual Property to incur any obligation or indebtedness on behalf of Franchisor.

14.7.4. Any item offered by Franchisee that contains the Marks, must be approved by Franchisor in writing prior to being distributed or sold by Franchisee and such approval may be granted or denied in Franchisor’s sole and absolute discretion.

14.8. Claims. Franchisee shall notify Franchisor immediately via both email and telephone, of any apparent infringement of or challenge to Franchisee’s use of any Intellectual Property and of any claim by any person of any rights in any Intellectual Property. Franchisee shall not communicate with any person other than Franchisor or any designated affiliate thereof, their counsel and Franchisee’s counsel in connection with any such infringement, challenge or claim. Franchisor shall have complete discretion to take such action as it deems appropriate in connection with the foregoing, and the right to control exclusively, or to delegate control to any of its affiliates of, any settlement, litigation or other proceeding arising out of any such alleged infringement, challenge or claim or otherwise relating to any Intellectual Property. Franchisee agrees to execute any and all instruments and documents, render such assistance, and do such acts or things as may, in the opinion of Franchisor, reasonably be necessary or advisable to protect and maintain the interests of Franchisor or any other person or entity in any litigation or other proceeding or to otherwise protect and maintain the interests of Franchisor or any other interested party in the Intellectual Property. Franchisor will indemnify and defend Franchisee against and reimburse Franchisee for actual damages (including settlement amounts) for which Franchisee is held liable in any proceeding arising out of Franchisee’s use of any of the Intellectual Property that infringes on the rights of any other party, provided that the conduct of Franchisee with respect to such proceeding and use of the Intellectual Property is in full compliance with the terms of this Agreement.

14.9. Franchisor may use and grant franchises and licenses to others to use the Intellectual Property and the System and to establish, develop and franchise other systems, different from the System licensed to Franchisee herein, without offering or providing Franchisee any rights in, to or under such other systems and Franchisor may modify or change, in whole or in part, any aspect of the Intellectual Property or the System, so long as Franchisee’s rights thereto are in no way materially harmed thereby.

14.10. Franchisee shall not register or attempt to register the Intellectual Property in

Franchisee's name or that of any other person, firm, entity or corporation.

15. INSURANCE AND INDEMNIFICATION

15.1. Procurement. Franchisee shall procure, prior to the commencement of any operations under this Agreement, and thereafter maintain in full force and effect during the term of this Agreement at Franchisee's sole cost and expense and to Franchisor's sole satisfaction, insurance policies protecting Franchisee and Franchisor, and naming Franchisor, its officers, directors, partners, owners, employees and affiliates as additional insureds as their interests may appear, in the following minimum limits (except as additional coverage and higher policy limits may reasonably be specified from time to time in the Manual or otherwise in writing):

15.1.1. Liability. Commercial general liability insurance, including contractual liability, public liability, liquor liability (when applicable), personal injury, products liability and advertising injury coverage in the amount of at least One Million Dollars (\$1,000,000) aggregate;

15.1.2. Employment. Worker's compensation coverage in the limits required by the state in which the Gofer Ice Cream Shop is located and operated, as well as such other insurance as may be required by statute or rule of the state in which the Gofer Ice Cream Shop is located and operated;

15.1.3 Property. Fire, vandalism and extended coverage insurance for property damage with primary and excess limits to cover the full replacement value of the leasehold improvements, computer systems, and other personal property of the Gofer Ice Cream Shop.

15.1.4 Umbrella. Umbrella liability insurance coverage not less than Five Million Dollars (\$5,000,000).

15.1.5 Business Interruption. Business interruption insurance in sufficient amounts to cover the rent of the Gofer Ice Cream Shop, previous profit margins, Royalty Fees, Brand Fund Contributions, all advertising contributions, maintenance of competent personnel, and other fixed expenses and fees payable to Franchisor.

15.2. Evidence of Insurance. Franchisee shall deliver to, and maintain at all times with Franchisor, current Certificates of Insurance evidencing the existence and continuation of the required coverages. In addition, if requested by Franchisor, Franchisee shall deliver to Franchisor a copy of the insurance policy or policies required hereunder.

15.3. Failure to Procure. If, for any reason, Franchisee should fail to procure or maintain the insurance required by this Agreement as revised from time to time for all franchisees by the Manual or otherwise in writing, Franchisor shall have the right and authority (without, however, any obligation) to immediately procure such insurance and to charge

Franchisee for the cost thereof together with a reasonable fee for Franchisor's expenses in so acting, including all attorneys' fees. Franchisee shall pay Franchisor immediately upon notice by Franchisor to Franchisee that Franchisor has undertaken such action and the cost thereof.

15.4. Increase in Coverage. The levels and types of insurance stated herein are minimum requirements. Franchisor reserves the right to raise the required minimum requirements for any type of insurance or add additional types of insurance requirements as Franchisor deems reasonably prudent to require. Within thirty (30) days of any such required new limits or types of coverage, Franchisee must submit proof to Franchisor of Franchisee's coverage pursuant to Franchisor's requirements.

15.5. Additional Insured. All required insurance policies shall name Franchisor and their affiliates and their members, officers, agents and employees as additional insureds as their interests may appear. All public liability policies shall contain a provision that the additional insureds, although named as insureds, shall nevertheless be entitled to recover under such policies on any loss caused by Franchisee or Franchisee's servants, agents or employees.

15.6. Indemnification. TO THE FULLEST EXTENT PERMITTED BY LAW, FRANCHISEE AGREES TO EXONERATE AND INDEMNIFY AND HOLD HARMLESS GOFER FRANCHISE SYSTEMS, LLC, GOFER PROPERTIES, LLC, AND ANY OF EITHER'S PARENT COMPANY, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS AND DESIGNEES AS WELL AS THEIR DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SHAREHOLDERS, SUCCESSORS, DESIGNEES AND REPRESENTATIVES, (COLLECTIVELY REFERRED TO AS THE GOFER ICE CREAM INDEMNITEES"), FROM ALL CLAIMS BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATED TO THE OPERATION, CONDITION, OR ANY PART OF FRANCHISEE'S GOFER ICE CREAM FRANCHISE, THE GOFER ICE CREAM SHOP, THE PRODUCTS, THE PREMISES, OR ANY ASPECT OF THE REAL ESTATE CONNECTED TO FRANCHISEE'S GOFER ICE CREAM SHOP, WHETHER CAUSED BY FRANCHISEE, FRANCHISEE'S AGENTS OR EMPLOYEES, OR ARISING FROM FRANCHISEE'S ADVERTISING OR BUSINESS PRACTICES. FRANCHISEE AGREES TO PAY FOR ALL THE GOFER INDEMNITEES' LOSSES, EXPENSES (INCLUDING, BUT NOT LIMITED TO ATTORNEYS' FEES) OR CONCURRENT OR CONTRIBUTING LIABILITY INCURRED IN CONNECTION WITH ANY ACTION, SUIT, PROCEEDING, INQUIRY (REGARDLESS OF WHETHER THE SAME IS REDUCED TO JUDGMENT OR DETERMINATION), OR ANY SETTLEMENT THEREOF FOR THE INDEMNIFICATION GRANTED BY FRANCHISEE HEREUNDER. THE GOFER INDEMNITEES SHALL HAVE THE RIGHT TO SELECT AND APPOINT INDEPENDENT COUNSEL TO REPRESENT ANY OF THE GOFER INDEMNITEES IN ANY ACTION OR PROCEEDING COVERED BY THIS INDEMNITY. FRANCHISEE AGREES THAT TO HOLD THE GOFER INDEMNITEES HARMLESS, FRANCHISEE WILL REIMBURSE THE GOFER INDEMNITEES AS THE COSTS AND EXPENSES ARE INCURRED BY THE GOFER INDEMNITEES.

16. TRANSFERS

16.1. Transfers by Franchisor.

16.1.1. Franchisor shall have the right to assign this Agreement, and all of Franchisor's rights and privileges hereunder, to any person, firm, corporation or other entity, without Franchisee's permission or prior knowledge, provided that, with respect to any assignment resulting in the subsequent performance by the assignee of Franchisor's obligations, the assignee shall expressly assume and agree to perform Franchisor's obligations hereunder. Specifically, and without limitation to the foregoing, Franchisee expressly affirms and agrees that Franchisor may: (i) sell Franchisor's assets and Franchisor's rights to the Marks and the System outright to a third party; (ii) engage in a public or private placement of some or all of Franchisor's securities; (iii) merge, acquire other corporations, or be acquired by another corporation, including competitors; (iv) undertake a refinancing, recapitalization, leveraged buy-out or other economic or financial restructuring; and (v) 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 relating to the loss of association with or identification of Franchisor. Nothing contained in this Agreement shall require Franchisor to remain in the business franchised herein or to offer the same products and services, whether or not bearing the Marks, in the event that Franchisor exercises its prerogative hereunder to assign Franchisor's rights in this Agreement.

16.1.2. Franchisee agrees that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities operating under the Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of the facilities (which Franchisee acknowledges may be within the Territory, proximate thereto, or proximate to any of Franchisee's locations). However, Franchisor represents that it will not convert any such acquired facilities that are operating within the Territory to a Gofer Ice Cream franchise during the Term of this Agreement.

16.1.3. If Franchisor assigns its rights in this Agreement, nothing herein shall be deemed to require Franchisor to remain in the ice cream shop business or to offer or sell any products or services to Franchisee.

16.2. Restrictions on Transfers by Franchisee. Franchisee's rights and duties under this Agreement are personal to Franchisee as it is organized and with the Principals of the

business as they exist on the date of execution of this Agreement, and Franchisor has made this Agreement with Franchisee in reliance on Franchisor's perceptions of the individual and collective character, skill, aptitude, attitude, business ability, and financial capacity of Franchisee. Thus, no transfer, as hereafter defined, may be made without Franchisor's prior written approval. Franchisor may void any transfer made without such approval.

- 16.3. Transfers by Franchisee. Franchisee shall not directly or indirectly sell, assign, transfer, give, devise, convey or encumber this Agreement or any right or interest herein or hereunder (a "Transfer"), the Franchise, the Gofer Ice Cream Shop or any assets thereof (except in the ordinary course of business) or suffer or permit any such assignment, transfer, or encumbrance to occur by operation of law unless it first obtains the written consent of Franchisor. A transfer of any stock in the Franchisee if it is a corporation or a transfer of any ownership rights in Franchisee if it is a partnership, a limited liability company or limited partnership shall be considered a Transfer restricted hereunder. If Franchisee has complied fully with this Agreement and subject to Franchisor's Right of First Refusal set forth in Section 16.6, Franchisor will not unreasonably withhold its consent of a Transfer that meets the following requirements:
- 16.3.1. The proposed transferee and all its principals must have the demeanor, and be individuals of good character and otherwise meet Franchisor's then-applicable standards for franchisees.
 - 16.3.2. The transferee must have sufficient business experience, aptitude and financial resources to operate the Gofer Ice Cream Shop and to comply with this Agreement;
 - 16.3.3. The transferee has agreed to complete Franchisor's Initial Management Training Program to Franchisor's satisfaction;
 - 16.3.4. Franchisee has paid all amounts owed to Franchisor and third-party creditors;
 - 16.3.5. The transferee has executed Franchisor's then-standard form of Franchise Agreement, which may have terms and conditions different from this Agreement, except that the transferee shall not be required to pay the Initial Franchise Fee;
 - 16.3.6. Franchisee and the transferee and each of Franchisee's and the transferee's Principals shall have executed a general release under seal, in a form satisfactory to Franchisor, of any and all claims against Franchisor and Franchisor's officers, directors, shareholders, members and employees in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances. Franchisee will agree to subordinate any claims Franchisee may have against the transferee to Franchisor, and indemnify Franchisor against all claims brought against Franchisor by the transferee for a period of three (3) years following the transfer;

16.3.7. Franchisor has granted written approval of the material terms and conditions of the Transfer, including, without limitation, that the price and terms of payment will not adversely affect the Gofer Ice Cream Shop's operation. However, Franchisor's approval of a Transfer is not in any way a representation or warranty of the transferee's success or the soundness of transferee's decision to purchase the Franchise on such terms and conditions. Franchisee shall provide Franchisor all proposed transfer documents for Franchisor's review at least thirty (30) days prior to a closing of the proposed Transfer;

16.3.8. If Franchisee or any Principal finances any part of the sale price of the Transfer, Franchisee or its Principal have agreed that all obligations of the transferee under any notes, agreements or security interests to Franchisee or its Principal will be subordinate to the transferee's obligations to Franchisor; and

16.3.9. If consent is required, the lessor of the Gofer Ice Cream Shop's premises consents to the assignment or further sublet of the premises to the transferee.

16.4. Transfer Fee. As a condition to any Transfer, Franchisee shall pay Franchisor a transfer fee equal to Five Thousand Dollars (\$5,000.00), whichever is greater; provided however, (i) for transfers of ownership interest among existing shareholders or members, or to add a new shareholder or member, of the Franchisee entity and such transfer does not change management control of the Franchisee entity, or (ii) for a transfer to a spouse, parent or child upon death or permanent disability of Franchisee or Franchise's Principal, as the case may be, the transfer fee is waived.

16.5. Entity Formation Documents. The By-Laws of a corporation or Operating Agreement of a limited liability company of a Franchisee that is an entity must state that (i) the issuance and assignment of any interest in Franchisee are restricted by this Article 16; (ii) Franchisee may conduct no business except the operation of a Gofer Ice Cream Shop pursuant to the terms of this Agreement; (iii) transfers of interests in Franchisee are subject to the terms of this Agreement governing transfers; and (iv) stock or member certificates will contain a legend so indicating.

16.6. Franchisor's Right of First Refusal.

16.6.1. If Franchisee wishes to transfer all or part of its interest in the Gofer Ice Cream Shop or this Agreement or if a Principal wishes to transfer any ownership interest in Franchisee, pursuant to any bona fide offer to purchase such interest, then Franchisee or such Principal shall promptly notify Franchisor in writing of each such offer, and shall provide such information and documentation relating to the offer as Franchisor may require.

16.6.2. Franchisor has the right, exercisable by written notice to Franchisee within thirty (30) days after receipt of written notification and copies of all documentation required by Franchisor describing such offer, to buy the interest in this Agreement

and the Gofer Ice Cream Shop or the Principal's interest in Franchisee for the price and on the terms and conditions contained in the offer, subject to Section 16.6.3.

16.6.3. Franchisee further agrees, in the event Franchisor exercises its right of first refusal, notwithstanding anything to the contrary contained in the offer, that (i) Franchisor may substitute cash for any other form of consideration contained in the offer; (ii) at Franchisor's option, Franchisor may pay the entire purchase price at closing; (iii) Franchisor's credit will be deemed equal to the credit of any proposed transferee; (vi) Franchisor will have at least sixty (60) days to close the purchase; and (v) Franchisor will be entitled to receive from the Franchisee all customary representations and warranties given by a seller of the assets of a business or equity interest in an entity, as applicable.

16.6.4. If Franchisor does not exercise its right to buy within thirty (30) days, Franchisee may thereafter transfer the interest to the transferee on terms no more favorable than those disclosed to Franchisor, provided that such transfer is subject to Franchisor's prior written approval pursuant to Section 16.3 hereof. However, if (i) the sale to the transferee is not completed within one hundred twenty (120) days after the offer is given to Franchisor or (ii) there is any material change in the terms of the offer, the offer will again be subject to Franchisor's right of first refusal.

16.7. Death or Permanent Disability. The grant of rights under this Agreement is personal to Franchisee, and on the death or permanent disability of Franchisee or any of Franchisee's Principals, as the case may be, the Franchise granted by this Agreement will terminate, unless prohibited by applicable law. If prohibited by applicable law, the executor, administrator, conservator or other personal representative of Franchisee or Franchisee's Principal, as the case may be, will transfer Franchisee's or Franchisee's Principal's interest in this Agreement within six (6) months from the date of death or permanent disability, to a third party approved by Franchisor. Failure to transfer in accordance with the forgoing will constitute a material default and the Franchise granted by this Agreement will terminate. A transfer under this Section 16.7, including without limitation, transfer by devise or inheritance, is subject to the conditions for Transfers in this Article 16 and unless transferred by gift, devise or inheritance, subject to the terms of Section 16.6 above. For purposes of this Agreement, the term "permanent disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent such person from providing continuous and material supervision of the operation of Franchisee's Gofer Ice Cream Shop during the six (6)-month period from its onset.

Immediately after the death or permanent disability of such person, or while the Franchise is owned by an executor, administrator, guardian, personal representative or trustee of that person, the Gofer Ice Cream Shop shall be supervised by an interim successor manager satisfactory to Franchisor, or Franchisor, in its sole discretion, may provide interim management at no less than Franchisor's actual cost, pending transfer of the Franchise to the deceased or disabled individual's lawful heirs or successors.

- 16.8. Effect of Consent to Transfer. Franchisor's consent to a Transfer will not waive any claims Franchisor may have against the Franchisee or any Franchisee's Principals nor waive its right to demand that the transferee comply strictly with this Agreement.
- 16.9. Security Interests to Lender. If Franchisee is in full compliance with this Agreement, Franchisee may pledge or give a security interest in Franchisee's interest in the Assets and the Gofer Ice Cream Shop to a lender of the funds needed by Franchisee for Franchisee's initial investment, provided that the security interest is subordinate to Franchisee's obligations to Franchisor, that a foreclosure on such a pledge or security interest and/or any Transfer resulting from such a foreclosure shall be subject to all provisions of this Agreement, and that Franchisee obtains from the lender a written acknowledgement to Franchisor of these restrictions. Notwithstanding the foregoing, in the event Franchisee obtains a loan (an "SBA Loan") from a lender (the "Lender") in which funding is provided with the assistance of the United States Small Business Administration ("SBA"), Franchisee shall be permitted to grant Lender and/or SBA a senior lien on any Uniform Commercial Code collateral Franchisee uses to secure the SBA Loan, and Franchisor agrees to subordinate its interest in any lien on Franchisee's Uniform Commercial Code collateral of that of the Lender and/or SBA as the case may be.

17. DEFAULTS

- 17.1. Default and Automatic Termination. Franchisee shall be deemed to be in material default under this Agreement, and all rights granted herein shall automatically terminate without notice to Franchisee, if Franchisee shall become insolvent or makes a general assignment for the benefit of creditors; or if Franchisee files a voluntary petition under any section or chapter of federal bankruptcy law or under any similar law or statute of the United States or any state thereof, or admits in writing its inability to pay its debts when due; or if Franchisee is adjudicated a bankrupt or insolvent in proceedings filed against Franchisee under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state; or if a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee; or if a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or if proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee; or if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); or if Franchisee is dissolved; or if execution is levied against Franchisee's business or property; or if suit to foreclose any lien or mortgage against the Gofer Ice Cream Shop premises or equipment is instituted against Franchisee and not dismissed within thirty (30) days.
- 17.2. Defaults 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, effective immediately upon notice to Franchisee, if Franchisee, or any Principal, as the case may be:

- 17.2.1. fails to acquire a site for the Gofer Ice Cream Shop, complete construction of the Gofer Ice Cream Shop, obtain all licenses and permits, or open the Gofer Ice Cream Shop within the time and in the manner specified in Article 8.
- 17.2.2. falsifies any report required to be furnished Franchisor hereunder;
- 17.2.3. ceases to operate the Gofer Ice Cream Shop for a period of five (5) days or more; provided, however, that this provision shall not apply if through no fault of Franchisee, the premises are damaged or destroyed by a casualty and Franchisee applies within thirty (30) days after such event, for Franchisor's approval to relocate or reconstruct the premises (which approval shall not be unreasonably withheld) and Franchisee diligently pursues such reconstruction or relocation.
- 17.2.4. loses for any cause whatsoever the right of possession of the real property on which the Gofer Ice Cream Shop is located; provided, however, that this provision shall not apply if through no fault of Franchisee, Franchisee loses right of possession and Franchisee applies within thirty (30) days after such event, for Franchisor's approval to relocate the Gofer Ice Cream Shop (which approval shall not be unreasonably withheld) and Franchisee diligently pursues such relocation in accordance with Section 8.5.
- 17.2.5. fails to restore the Gofer Ice Cream Shop location to full operation within a reasonable period time but not more than one hundred twenty (120) days from the date the Gofer Ice Cream Shop location is rendered inoperable by any casualty;
- 17.2.6. fails to comply with any federal, state or local law, rule or regulation, applicable to the operation of the Gofer Ice Cream Shop, including, but not limited to, the failure to pay taxes;
- 17.2.7. defaults under any lease or sublease of the real property on which the Gofer Ice Cream Shop is located;
- 17.2.8. understates Gross Revenue on two (2) occasions or more, whether or not cured on any or all of those occasions;
- 17.2.9. fails to comply with the covenants in Article 15;
- 17.2.10. permits a Transfer in violation of the provisions of Article 16 of this Agreement;
- 17.2.11. fails, or Franchisee's legal representative fails, to transfer the interests in this Franchise Agreement and the Gofer Ice Cream Shop upon death or permanent disability of Franchisee or any Principal of Franchisee as required by Section 16.7.
- 17.2.12. has misrepresented or omitted material facts in applying for the Franchise;

- 17.2.13. is convicted of, or pleads no contest to, a felony or to a crime that could damage the goodwill associated with the Marks or does anything to harm the reputation of the System or the goodwill associated with the Marks;
 - 17.2.14. receives an adverse judgment or a consent decree in any case or proceeding involving allegations of fraud, racketeering, unfair or improper trade practices or similar claim which is likely to have an adverse effect on the System, or the Marks, the goodwill associated therewith or Franchisor's interest therein, in Franchisor's sole opinion;
 - 17.2.15. conceals revenues, knowingly maintains false books or records, or knowingly submits any false reports;
 - 17.2.16. creates a threat or danger to public health or safety from the construction, maintenance, or operation of the Gofer Ice Cream Shop;
 - 17.2.17. refuses to permit Franchisor to inspect or audit Franchisee's books or records;
 - 17.2.18. makes any unauthorized use of the Marks or copyrighted material or any unauthorized use or disclosure of Confidential Information (as defined in Section 19.2);
 - 17.2.19. fails to comply with the non-competition covenants in Section 19.5;
 - 17.2.20. defaults in the performance of Franchisee's obligations under this Agreement three (3) or more times during the term of this Agreement or has been given at least two (2) notices of default in any consecutive twelve (12)-month period, whether or not the defaults have been corrected;
 - 17.2.21. has insufficient funds to honor a check or electronic funds transfer two (2) or more times within any consecutive twelve (12)-month period;
 - 17.2.22. defaults, or an affiliate of Franchisee defaults, under any other agreement, including any other franchise agreement, with Franchisor or any of its affiliates, suppliers or landlord and does not cure such default within the time period provided in such other agreement; or
 - 17.2.23. terminates this Agreement without cause.
- 17.3. Curable Defaults. Franchisee shall be deemed to be in material default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, if Franchisee fails to cure the default within the time period set forth in this Section 17.3, effective immediately upon notice to Franchisee, if Franchisee, or any Principal, as the case may be:

- 17.3.1. fails to pay when due any amounts due to Franchisor under this Agreement or any related agreement and does not correct the failure within five (5) days after written notice; provided, however, Franchisor has no obligation to give written notice of a late payment more than two (2) times in any twelve (12)–month period, and the third such late payment in any twelve (12)–month period shall be a non-curable default under Sections 17.2.20 and/or 17.2.21;
- 17.3.2. fails to perform any non-monetary obligation imposed by this Agreement (excepting those defaults of obligations set forth in Sections 17.1 and 17.2 for which there is no opportunity to cure) and such default shall continue for five (5) days after Franchisor has given written notice of such default, or if the default cannot be reasonably corrected within said five (5)-day period, then if it is not corrected within such additional time as may be reasonably required assuming Franchisee proceeds diligently to cure; provided, however, Franchisor has no obligation to give written notice of a non-monetary default more than two (2) times in any twelve (12)–month period, and the third such default, whether monetary or non-monetary, in any twelve (12) – month period shall be a non-curable default under Section 17.2.20.
- 17.4. Franchisor's Cure of Franchisee's Defaults. In the event of a default by Franchisee, in addition to Franchisor's right to terminate the Franchise Agreement, and not in lieu thereof, Franchisor may, but has no obligation to:
- 17.4.1. effect a cure on Franchisee's behalf and at Franchisee's expense, and Franchisee shall immediately pay Franchisor the costs incurred by Franchisor upon demand; or
- 17.4.2. enter upon the Gofer Ice Cream Shop location and exercise complete authority with respect to the operation of the Gofer Ice Cream Shop until such time as Franchisor determines that the default of Franchisee has been cured and that Franchisee is complying with the requirements of this Agreement. Franchisee specifically agrees that a designated representative of Franchisor may take over, control and operate the Gofer Ice Cream Shop. In addition to all other fees paid under this Agreement, Franchisee shall pay Franchisor twenty percent (20%) of the Gross Revenue realized during the period of interim management, plus any and all costs of travel, lodging, meals and other expenses reasonably incurred by Franchisor, until the default has been cured and Franchisee is complying with the terms of this Agreement.
- 17.5. Notice to Suppliers. In the event of a default by Franchisee, in addition to Franchisor's right to terminate the Franchise Agreement, and not in lieu thereof, Franchisor reserves the right with five (5) days' prior written notice to Franchisee to direct suppliers to stop furnishing any and all products and supplies until such time as Franchisee's default is cured. In no event shall Franchisee have recourse against Franchisor for loss of revenue, customer goodwill, profits or other business arising from Franchisor's actions and the actions of suppliers.

18. POST-TERMINATION

- 18.1. Franchisee's Obligations. Upon termination or expiration of this Agreement, all rights and licenses granted hereunder to Franchisee shall immediately terminate and Franchisee and each Principal, if any, shall:
- 18.1.1. immediately cease to operate the Gofer Ice Cream Shop, and shall not thereafter, directly or indirectly identify himself, herself or itself as a current Gofer Ice Cream owner, franchisee or licensee;
 - 18.1.2. immediately and permanently cease to use the Marks, any imitation of any Mark, Franchisor's designs, copyrighted material, or other intellectual property, confidential or proprietary material or indicia of the Gofer Ice Cream Shop, or use any trade name, trade or service mark or other commercial symbol that suggests an association with Franchisor, Licensor, or the System. In particular, Franchisee shall cease to use, without limitation, all signs, billboards, advertising materials, displays, stationery, forms, and any other articles, which display the Marks;
 - 18.1.3. take such action as may be necessary to cancel any assumed name or equivalent registration that contains the Mark or any other service mark or trademark of Franchisor, and Franchisee shall furnish Franchisor with evidence of compliance with this obligation which is satisfactory to Franchisor, within five (5) days after termination or expiration of this Agreement;
 - 18.1.4. promptly pay all sums owing to Franchisor and its affiliates. Such sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of any default by Franchisee. The payment obligation herein shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the personal property, furnishings, equipment, fixtures, and inventory owned by Franchisee and located at the Gofer Ice Cream Shop location at the time of default;
 - 18.1.5. pay to Franchisor all damages, costs, and expenses, including reasonable attorneys' fees, incurred by Franchisor in connection with obtaining any remedy available to Franchisor for any violation of this Agreement and, subsequent to the termination or expiration of this Agreement, in obtaining injunctive or other relief for the enforcement of any provisions of this Agreement that survive its termination;
 - 18.1.6. immediately deliver at Franchisee's sole cost and expense, to Franchisor the Manual and all records, files, instructions, correspondence, invoices, agreements, designs, completed project signs, all confidential, proprietary and copyrighted material and all other materials related to operation of the Gofer Ice Cream Shop, including but not limited to customer lists and records, (all of which are acknowledged to be Franchisor's property), delete all electronic copies and retain no copy or record of any of the foregoing, except Franchisee's copy of this Agreement and of any correspondence between the parties and any other documents that Franchisee reasonably needs for compliance with any provision of law; and

18.1.7. comply with the non-disclosure and non-competition covenants contained in Article 19; and

18.1.8 in the event this Agreement is terminated due to Franchisee's default, pay Franchisor a lump sum payment (as liquidated damages and not as a penalty) in an amount equal to the average weekly Royalty Fee and Brand Fund Contribution payable by Franchisee over the twelve (12) month period immediately prior to the date of termination (or such shorter time period if the Gofer Ice Cream Shop has been open less than twelve (12) months) multiplied by the greater of (a) 24 (being the number of months in two full years), or (b) the number of months remaining in the then-current term of this Agreement. Franchisee acknowledges that a precise calculation of the full extent of the damages Franchisor will incur in the event of termination of this Agreement as a result of Franchisee's default is difficult to determine and that this lump sum payment is reasonable in light thereof. The liquidated damages payable by Franchisee pursuant to this 18.1.8 shall be in addition to all other amounts payable under this Agreement and shall not affect Franchisor's right to obtain appropriate injunctive relief and remedies pursuant to any other provision of this Agreement.

18.2. Right to Purchase.

18.2.1. Franchisor shall have the option, to be exercised within thirty (30) days after termination or expiration of this Agreement, to purchase from Franchisee any or all of the furnishings, equipment (including any point of sale system and computer systems), signs, fixtures, advertising materials, supplies, and inventory of Franchisee related to the operation of the Gofer Ice Cream Shop, at Franchisee's cost or fair market value, whichever is less. Franchisor shall purchase Franchisee's assets free and clear of any liens, charges, encumbrances or security interests and Franchisor shall assume no liabilities whatsoever, unless otherwise agreed to in writing by the parties. If the parties cannot agree on the fair market value within thirty (30) days of Franchisor's exercise of its option, fair market value shall be determined by two (2) appraisers, with each party selecting one (1) appraiser, and the average of their determinations shall be binding. In the event of such appraisal, each party shall bear its own legal and other costs and shall split the appraisal fees equally. If Franchisor elects to exercise its option to purchase herein provided, it shall have the right to set off (i) all fees for any such independent appraiser due from Franchisee, (ii) all amounts due from Franchisee to Franchisor or any of its affiliates and (iii) any costs incurred in connection with any escrow arrangement (including reasonable legal fees), against any payment therefor and shall pay the remaining amount in cash. Closing of the purchase shall take place no later than thirty (30) days after determination of the fair market value.

18.2.2. With respect to the options described in Sections 18.2.1, Franchisee shall deliver to Franchisor in a form satisfactory to Franchisor, such warranties, releases of lien, bills of sale, assignments and such other documents and instruments that Franchisor deems necessary in order to perfect Franchisor's title and possession in and to the assets being purchased or assigned and to meet the requirements of all tax and government authorities. If, at the time of closing, Franchisee has not obtained all of these certificates and other documents, Franchisor may, in its sole discretion,

place the purchase price in escrow pending issuance of any required certificates or documents.

18.2.3. Franchisor shall be entitled to assign any and all of its option in Section 18.2.1 to any other party, without the consent of Franchisee.

18.3. Assignment of Telephone Numbers. Franchisee, at the option of Franchisor, shall assign to Franchisor all rights to the telephone numbers of the Gofer Ice Cream Shop and any related public directory listing or other business listings and execute all forms and documents required by Franchisor and any telephone company at any time, to transfer such service and numbers to Franchisor. Further, Franchisee shall assign to Franchisor any and all social media and internet listings, domain names, internet advertising, websites, listings with search engines, electronic mail addresses or any other similar listing or usage related to the Gofer Ice Cream Shop. Notwithstanding any forms and documents that may have been executed by Franchisee under Section 11.6, Franchisee shall provide Franchisor with all passwords and administrative rights, and hereby appoints Franchisor its true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action as is necessary to complete such assignment. This power of attorney shall survive the expiration or termination of this Agreement. Franchisee shall thereafter use different telephone numbers, electronic mail addresses or other listings or usages at or in connection with any subsequent business conducted by Franchisee.

18.4. Survival. The rights and obligations of the parties contained in this Article 18 shall survive the expiration or sooner termination of this Agreement.

19. NON-DISCLOSURE AND NON-COMPETITION COVENANTS

19.1. Operations Manual.

19.1.1. Franchisor has provided to Franchisee, on loan, a current copy of the Manual. The Manual may be in hard copy or made available to Franchisee in digital, electronic or computerized form or in some other form now existing or hereafter developed that would allow Franchisee to view the contents thereof. If the Manual (or any changes thereto) are provided in a form other than physical copy, Franchisee shall pay any and all costs to retrieve, review, use or access the Manual. To protect the reputation and goodwill of Franchisor and to maintain high standards of operation under Franchisor's Marks, Franchisee shall operate all aspects of the Gofer Ice Cream Shop in accordance with the Manual, as they may from time to time be modified by Franchisor, other written directives that Franchisor may issue to Franchisee from time to time, whether or not such directives are included in the Manual, and any other manual and materials created or approved for use in the operation of the Gofer Ice Cream Shop.

19.1.2. Franchisee and any and all Principals shall at all times treat the Manual, written directives, and other materials and any other confidential communications or materials, and the information contained therein, as confidential and shall maintain

such information as trade secret and confidential in accordance with this Article and this Agreement. Franchisee and Franchisee's Principals, if any, shall not divulge and make such materials available to anyone other than those of Franchisee's employees who require the information contained therein to operate the Gofer Ice Cream Shop. Franchisee shall, prior to disclosure, fully train and inform its employees on all the restrictions, terms, and conditions under which it is permitted to use Franchisor's intellectual, proprietary, and confidential information; and shall ensure its employees' compliance with such restrictions, terms and conditions. Franchisee, Franchisee's Principals, and any person working with Franchisee shall agree not, at any time to use, copy, duplicate, record or otherwise reproduce these materials, in whole or in part, or otherwise make the same available to any person other than those authorized above, without Franchisor's prior written consent.

19.1.3. The Manual, written directives, and other materials and any other confidential communications provided or approved by Franchisor shall at all times remain the sole property of Franchisor. Franchisee shall maintain the Manual and all Franchisor's confidential and proprietary materials at all times in a safe and secure location, shall take all reasonable measures to prevent unauthorized access thereto, whether any attempted unauthorized access takes the form of physical access or access via computer or telecommunications networks or otherwise, and shall report the theft or loss of the Manual, or any portion thereof, immediately to Franchisor. At a minimum, Franchisee shall, in the case of computer and telecommunications networks, use the latest available firewall, encryption and similar technology to prevent unauthorized access. Franchisee shall delete all electronic copies, and return and cease using any physical copy of the Manual and other confidential and proprietary materials to Franchisor immediately upon request or upon transfer, termination or expiration of this Agreement.

19.1.4. Franchisor may from time to time revise the contents of the Manual and other materials created or approved for use in the operation of the Gofer Ice Cream Shop. Franchisee expressly agrees to comply with each new or changed policy, standard or directive. In the event of any dispute as to the contents of the Manual, the terms of the master copy of the Manual maintained by Franchisor shall control.

19.1.5. If Franchisee loses, misplaces, or otherwise requests a physical copy of the Manual, Franchisor, in its discretion, may provide such physical copy and Franchisee shall pay Franchisor the then-current replacement fee. The replacement fee as of the date of this Agreement is One Hundred Dollars (\$100.00).

19.2. Confidential Information. Franchisee along with its Principals acknowledge and accept that during the term of this Agreement Franchisee and any Principal will have access to Franchisor's trade secrets, including, but not limited to, formulas, recipes, designs, methods, processes, customer lists, vendor partnerships and/or relationships, sales and technical information, financial information, costs, product prices and names, software tools and applications, website and/or email design, products, services, equipment,

technologies and procedures relating to the operation of the Gofer Ice Cream Shop; the Manual; methods of advertising and promotion; instructional materials; any other information which Franchisor may or may not specifically designate as "confidential" or "proprietary"; and the components of the System, whether or not such information is protected or protectable by patent, copyright, trade secret or other proprietary rights (collectively referred to herein as the "Confidential Information"). Neither Franchisee nor any Principal shall, during the term of this Agreement and thereafter, communicate or divulge to, or use for the benefit of, any other person or entity, and, following the expiration or termination of this Agreement, shall not use for their own benefit, any Confidential Information that may be communicated to Franchisee or any Principal or of which Franchisee or any Principal may be apprised in connection with the operation of the Gofer Ice Cream Shop under the terms of this Agreement. Franchisee and any Principal shall not divulge and make any Confidential Information available to anyone other than those of Franchisee's employees who require the Confidential Information to operate the Gofer Ice Cream Shop and who have themselves entered into confidentiality and non-compete agreements containing the same provisions as contained in this Agreement, in accordance with Section 19.10 hereof. Franchisee and any Principal shall not at any time copy, duplicate, record or otherwise reproduce any Confidential Information, in whole or in part, or otherwise make the same available to any person other than those authorized above, without Franchisor's prior written consent. The covenant in this Section 19.2 shall survive the expiration, termination or transfer of this Agreement or any interest herein and shall be perpetually binding upon Franchisee and each Principal.

- 19.3. Protection of Information. Franchisee shall take all steps necessary, at Franchisee's own expense, to protect the Confidential Information and shall immediately notify Franchisor if Franchisee finds that any Confidential Information has been divulged in violation of this Agreement.
- 19.4. New Concepts. If Franchisee or any Principal develops any new concept, process, product, design, or improvement in the operation or promotion of the Gofer Ice Cream Shop ("Improvements"), Franchisee is required to promptly notify Franchisor and provide Franchisor with all related information, processes, products, design or other improvements, and sign any and all forms, documents and/or papers necessary for Franchisor to obtain full proprietary rights to such Improvements, without compensation and without any claim of ownership or proprietary rights to such Improvements. Franchisee and any Principal acknowledge that any such Improvements will become the property of Franchisor, and Franchisor may use or disclose such information to other franchisees as it determines to be appropriate.
- 19.5. Noncompetition Covenants. Franchisee and each Principal, if any, specifically acknowledge that, pursuant to this Agreement, Franchisee and each Principal, if any, will receive valuable training, trade secrets and Confidential Information of the System that are beyond the present knowledge, training and experience of Franchisee, each Principal and Franchisee's managers and employees. Franchisee and each Principal, if any, acknowledge that such specialized training, trade secrets and Confidential Information

provide a competitive advantage and will be valuable to them in the development and operation of the Gofer Ice Cream Shop, and that gaining access to such specialized training, trade secrets and Confidential Information is, therefore, a primary reason why Franchisee and each Principal, if any, are entering into this Agreement. In consideration for such specialized training, trade secrets, Confidential Information and rights, Franchisee and each Principal, if any, covenant that, except as otherwise approved in writing by Franchisor:

19.5.1. During the term of this Agreement, Franchisee and each Principal, if any, shall not, either directly or indirectly, for themselves or through, on behalf of, or in conjunction with, any person or entity (i) divert, or attempt to divert, any business or customer of the Gofer Ice Cream Shop or of other franchisees in the System to any competitor, by direct or indirect inducement or otherwise; (ii) participate as an owner, partner, director, officer, employee, consultant or agent or serve in any other capacity in any frozen dessert business similar to the System; or (iii) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System or (iv) in any manner interfere with, disturb, disrupt, decrease or otherwise jeopardize the business of the Franchisor or any Gofer Ice Cream franchisees or Franchisor-affiliated outlets.

19.5.2. Upon the expiration or earlier termination of this Agreement or upon a Transfer and continuing for five (5) years thereafter, Franchisee and Principals, if any, shall not, either directly or indirectly, for themselves or through, on behalf of or in conjunction with any person or entity (i) divert, or attempt to divert, any business or customer of the Gofer Ice Cream Shop or of other franchisees in the System to any competitor, by direct or indirect inducement or otherwise; or (ii) participate as an owner, partner, director, officer, employee, consultant or agent or serve in any other capacity in any frozen dessert business within one hundred (100) miles of the Territory or any Gofer Ice Cream franchised or corporate location; or (iii) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System or (iv) in any manner interfere with, disturb, disrupt, decrease or otherwise jeopardize the business of the Franchisor or any Gofer Ice Cream franchisees.

19.6. Reasonableness of Restrictions. Franchisee and each Principal, if any, acknowledges and agrees that the covenants not to compete set forth in this Agreement are fair and reasonable and will not impose any undue hardship on Franchisee or Principals, if any, since Franchisee or Principals, as the case may be, have other considerable skills, experience and education which afford Franchisee or Principals, as the case may be, the opportunity to derive income from other endeavors.

19.7. Reduction of Time or Scope. If the period of time or the geographic scope specified above, should be adjudged unreasonable in any proceeding, then the period of time will be reduced by such number of months or the geographic scope will be reduced by the elimination of such portion thereof, or both, so that such restrictions may be enforced for such time and scope as are adjudged to be reasonable. In addition, Franchisor shall have

the right, in its sole discretion, to reduce the scope of any covenant set forth in this Paragraph 19 or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees to forthwith comply with any covenant as so modified.

- 19.8. Injunctive Relief. Franchisee and each Principal, if any, acknowledges that a violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Franchisor for which no adequate remedy at law will be available. Accordingly, Franchisee and each Principal, if any, hereby consents to the entry of an injunction prohibiting any conduct by Franchisee or any Principal in violation of the terms of the covenants not to compete set forth in this Agreement.
- 19.9. No Defense. Franchisee and each Principal, if any, expressly agree that the existence of any claims they may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section.
- 19.10. Covenants of Employees, Agents and third persons. Franchisee shall require and obtain execution of covenants similar to those set forth in this Section (including covenants applicable upon the termination of a person's employment with Franchisee) from all employees, contractors or third persons who will have access to Franchisor's confidential and proprietary information. Such covenants shall be substantially in the form set forth in Attachment 9 as revised and updated from time to time and contained in the Manual.

20. DISPUTE RESOLUTION

- 20.1. Internal Dispute Resolution. Franchisee shall first bring any claim, controversy or dispute arising out of or relating to this Agreement, the Exhibits hereto or the relationship created by this Agreement to Franchisor's president and/or chief executive officer for resolution. After providing notice as set forth in Section 21.7 below. Franchisee must exhaust this internal dispute resolution procedure before Franchisee may bring Franchisee's dispute before a third party. This agreement to first attempt resolution of disputes internally shall survive termination or expiration of this Agreement.
- 20.2. Mediation. At Franchisor's option, any claim, controversy or dispute that is not resolved pursuant to Section 20.1 hereof shall be submitted to non-binding mediation. Franchisee shall provide Franchisor with written notice of Franchisee's intent to pursue any unresolved claim, controversy or dispute, specifying in sufficient detail the nature thereof, prior to commencing any legal action. Franchisor shall have thirty (30) days following receipt of Franchisee's notice to exercise Franchisor's option to submit such claim, controversy or dispute to binding arbitration. Arbitration shall be conducted through an arbitrator or arbitrators in accordance with the American Arbitration Association Commercial Mediation Rules. Such arbitration shall take place in the then-current location of Franchisor's corporate headquarters. The costs and expenses of mediation, including compensation and expenses of the arbitrator(s) (and except for the

attorneys' fees incurred by either party), shall be borne by the parties equally. Franchisor may specifically enforce Franchisor's rights to arbitration, as set forth herein.

20.3 Arbitration.

20.3.1 Except disputes not subject to alternative dispute resolution as set forth in Section 20.4, any dispute between Franchisor and Franchisee and/or any Principal arising out of or relating to this Agreement, the Exhibits hereto or any breach thereof, including any claim that this Agreement or any of its parts, is invalid, illegal or otherwise voidable or void, which has not been resolved in accordance with Sections 20.1 or 20.2, will be resolved by submission to the American Arbitration Association or its successor organization to be settled by a single arbitrator in accordance with the Commercial Arbitration Rules then in effect for such Association or successor organization.

20.3.2 All issues relating to arbitrability or the enforcement of the agreement to arbitrate contained in this Article 20 will be governed by the Federal Arbitration Act (9 U.S.C. §1 *et seq.*) and the federal common law of arbitration. All hearings and other proceedings will take place in the then current corporate location of the Franchisor, or the offices of the American Arbitration Association, or, if Franchisor so elects, in the county where the principal place of business of Franchisee is then located.

20.3.3 This arbitration provision is self-executing and will remain in full force and effect after expiration or termination of this Agreement. Any arbitration will be conducted on an individual, and not a class-wide or multiple plaintiffs, basis. If either party fails to appear at any properly noticed arbitration proceeding, an award may be entered against the party by default or otherwise, notwithstanding the failure to appear. Judgment upon an arbitration award may be entered in any court having jurisdiction and will be binding, final and not subject to appeal. No punitive or exemplary damages will be awarded against Franchisor, Franchisee, or entities related to either of them, in an arbitration proceeding or otherwise, and are hereby waived.

20.3.4 The provisions of this Section 20.3 are independent of any other covenant or provision of this Agreement; provided, however, that if a court of competent jurisdiction determines that any of the provisions are unlawful in any way, the court will modify or interpret the provisions to the minimum extent necessary to have them comply with the law.

20.3.5 In proceeding with arbitration and in making determinations hereunder, no arbitrator shall extend, modify, or suspend any terms of this Agreement or the reasonable standards of business performance and operation established by Franchisor in good faith. No notice, request or demand for arbitration shall stay, postpone, or rescind the effectiveness of any termination of this Agreement.

20.3.6 Except as expressly required by law, Franchisor, Franchisee and any Principal shall keep all aspects of any mediation and/or arbitration proceeding in confidence, and shall not disclose any information about the proceeding to any third party other than legal counsel who shall be required to maintain the confidentiality of such information.

20.4 Exceptions. Notwithstanding the requirements of Sections 20.2 or 20.3, the following claims shall not be subject to mediation or arbitration:

- 20.4.1 Franchisor's claims for injunctive or other extraordinary relief;
- 20.4.2 disputes and controversies arising from the Sherman Act, the Clayton Act or any other federal or state antitrust law;
- 20.4.3 disputes and controversies based upon or arising under the Lanham Act, as now or hereafter amended, relating to the ownership or validity of the Marks;
- 20.4.4 disputes and controversies relating to actions to obtain possession of the premises of the Franchised Business; and
- 20.4.5 enforcement of Franchisee's post-termination obligations, including but not limited to, Franchisee's non-competition covenants.

20.5. Governing Law and Venue. This Agreement is made in, and shall be substantially performed in the state of Connecticut. Any claims, controversies, disputes or actions arising out of this Agreement shall be governed, enforced and interpreted pursuant to the laws of the state of Connecticut. Franchisee and its Principals, except where specifically prohibited by law, hereby irrevocably submit themselves to the sole and exclusive jurisdiction of the state and federal courts in Connecticut. Franchisee and its Principals, hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision.

20.6. Mutual Benefit. Franchisee, each Principal, if any, and Franchisor acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 20.3 provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising hereunder. Each of Franchisee, Principals, if any, and Franchisor further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement.

20.7. Waiver of Certain Damages. Franchisee and each Principal, if any, hereby waive, to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against Franchisor, its affiliates, and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever. Each of Franchisee and Principals, if any, agree that in the event of a dispute, Franchisee and each Principal shall be limited to the recovery of any actual damages sustained.

20.8. Limitations of Claims. Any and all claims brought by Franchisee arising out of or relating to this Agreement or the relationship among the parties will be barred unless a proceeding for relief is commenced within one (1) year from the date on which Franchisee knew or should have known of the facts giving rise to such claims.

20.9. Survival. The provisions of this Article 20 shall continue in full force and effect notwithstanding the expiration or termination of this Agreement or a transfer by Franchisee or any Principal of their respective interests in this Agreement.

21. GENERAL

21.1. Relationship of the Parties.

21.1.1 Independent Licensee. Franchisee is and shall be an independent licensee under this Agreement, and no partnership shall exist between Franchisee and Franchisor. This Agreement does not constitute Franchisee as an agent, legal representative, or employee of Franchisor for any purpose whatsoever, and Franchisee is not granted any right or authority to assume or create any obligation for or on behalf of, or in the name of, or in any way to bind Franchisor. Franchisee agrees not to incur or contract any debt or obligation on behalf of Franchisor or commit any act, make any representation, or advertise in any manner which may adversely affect any right of Franchisor or be detrimental to Franchisor or other franchisees of Franchisor. Franchisor does not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by you which are not expressly authorized under this Agreement. Franchisor will not be obligated for any damages to any person or property which directly or indirectly arise from or related to your operation of the Franchised Business. Pursuant to the above, Franchisee agrees to indemnify Franchisor and hold Franchisor harmless from any and all liability, loss, attorneys' fees, or damage Franchisor may suffer as a result of claims, demands, taxes, costs, or judgments against Franchisor arising out of any allegation of an agent, partner, or employment relationship.

21.1.2 No Relationship. Franchisee acknowledges and agrees that Franchisee alone exercises day-to-day control over all operations, activities, and elements of the Franchised Business, and that under no circumstance shall Franchisor do so or be deemed to do so. Franchisee further acknowledges and agrees, and will never claim otherwise, that the various restrictions, prohibitions, specifications, and procedures of the System which Franchisee is required to comply with under this Agreement, whether set forth in Franchisor's Operations Manual or otherwise, does not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of the Franchised Business, which Franchisee alone controls, but only constitute standards Franchisee must adhere to when exercising control of the day-to-day operations of the Franchised Business.

21.1.3 Franchisee's Employees. Franchisee acknowledges and agrees that any training Franchisor provides for Franchisee's employees is geared to impart to those employees, with Franchisee's ultimate authority, the various procedures, protocols, systems, and operations of a Gofer Ice Cream outlet and in no fashion reflects any employment relationship between Franchisor and such employees. If ever it is asserted that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees in any private or government investigation, action, proceeding, arbitration or other setting, Franchisee irrevocably agree to assist Franchisor in defending said allegation, appearing at any venue requested by Franchisor to testify on Franchisor's behalf participate in depositions, other appearances or preparing affidavits

rejecting any assertion that Franchisor is the employer, joint employer or co-employer of any of Franchisee's employees.

- 21.2. Successors. This Agreement shall bind and inure to the benefit of the successors and assigns of Franchisor and shall be personally binding on and inure to the benefit of Franchisee (including the individuals executing this Agreement on behalf of the Franchisee entity) and its or their respective heirs, executors, administrators and successors or assigns; provided, however, the foregoing provision shall not be construed to allow a transfer of any interest of Franchisee or Principals, if any, in this Agreement or the Gofer Ice Cream Shop, except in accordance with Article 16 hereof.
- 21.3. Invalidity of Part of Agreement. Should any provisions in this Agreement, for any reason, be declared invalid, then such provision shall be invalid only to the extent of the prohibition without in any way invalidating or altering any other provision of this Agreement.
- 21.4. Entire Agreement. This Agreement, including all attachments, is the entire agreement of the parties, superseding all prior written or oral agreements of the parties concerning the same subject matter, and superseding all prior written or oral representations made to Franchisee, except that nothing in this Agreement or in any related agreement is intended to disclaim the representations made to Franchisee in Franchisor's Franchise Disclosure Document. No agreement of any kind relating to the matters covered by this Agreement and no amendment of the provisions hereof shall be binding upon either party unless and until the same has been made in writing and executed by all interested parties.
- 21.5. Construction. All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed, and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement or any provision herein may require, as if such words had been fully and properly written in the appropriate number and gender. All covenants, agreements and obligations assumed herein by Franchisee and any Principals shall be deemed to be joint and several covenants, agreements, and obligations of each of the persons named as Franchisee, if more than one person is so named.
- 21.6. Captions. Captions and section headings are used herein for convenience only. They are not part of this Agreement and shall not be used in construing it.
- 21.7. 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.

- 21.8. Effect of Waivers. No waiver, delay, omission, or forbearance on the part of Franchisor to exercise any right, option, duty or power arising from any default or breach by Franchisee shall affect or impair the rights of Franchisor with respect to any subsequent default of the same or of a different kind. Any use by Franchisee of the System or any part thereof at any place other than at the Gofer Ice Cream Shop location shall not give Franchisee any rights not specifically granted hereunder. Failure to take action to stop such use shall not in any event be considered a waiver of the rights of Franchisor at any time to require Franchisee to restrict said use to the Gofer Ice Cream Shop location.
- 21.9. Remedies Cumulative. All rights and remedies of the parties to this Agreement shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies that are provided for herein or that may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement or any other agreement between Franchisee or any of its affiliates and Franchisor or any of its affiliates. The rights and remedies of the parties to this Agreement shall be continuing and shall not be exhausted by any one or more uses thereof, and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time. The expiration, earlier termination, or exercise of Franchisor's rights pursuant to Article 17 shall not discharge or release Franchisee or any Principal from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration, the earlier termination, or the exercise of such rights under this Agreement.
- 21.10. Consent to Do Business Electronically. The parties to the Franchise Agreement hereby consent to do business electronically. Pursuant to the Uniform Electronic Transactions Act as adopted by the State of Connecticut, the parties hereby affirm to each other that they agree with the terms of the Franchise Agreement and its Addenda, and by attaching their signature electronically to the Franchise Agreement, they are executing the document and intending to attach their electronic signature to it. Furthermore, the parties acknowledge that the other parties to the Franchise Agreement can rely on an electronic signature as the respective party's signature.
- 21.11. Counterparts. This Agreement may be executed in multiple counterparts, each of which when so executed shall be an original, and all of which shall constitute one and the same instrument.
- 21.12. Survival. Any obligation of Franchisee or any Principal that contemplates performance of such obligation after termination or expiration of this Agreement or the transfer of any interest of Franchisee or any Principal therein shall be deemed to survive such termination, expiration or transfer.

22. **ACKNOWLEDGMENTS** Franchisee shall acknowledge the truthfulness of the statements contained in Attachment 1 hereto. Franchisee's acknowledgments are an inducement for Franchisor to enter into this Agreement. Franchisee shall immediately notify Franchisor, prior to acknowledgment, if any statement in Attachment 1 is incomplete or incorrect.

Signature Page to follow

The parties hereto have executed this Franchise Agreement in triplicate the day and year first above written.

FRANCHISOR:
GOFER FRANCHISE SYSTEMS, LLC

By:_____

John Jay Ragusa, Managing Partner
(Print Name, Title)

FRANCHISEE:

By:_____

_____, _____
(Print Name, Title)

PRINCIPAL:

(Print Name)

PRINCIPAL:

(Print Name)

ATTACHMENT 1

FRANCHISEE ACKNOWLEDGEMENT STATEMENT

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 Gofer Franchise Systems, 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

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 THE FRANCHISE 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 GOFER FRANCHISE SYSTEMS, LLC, GOFER PROPERTIES, LLC, AND ANY OF THEIR PARENT COMPANY, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS AND DESIGNEES, AND THE FOREGOING ENTITIES' DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SHAREHOLDERS, SUCCESSORS, DESIGNEES AND REPRESENTATIVES 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 THE FRANCHISE 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. THIS RELEASE SHALL NOT APPLY TO ANY CLAIMS ARISING FROM REPRESENTATIONS MADE BY FRANCHISOR IN FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT RECEIVED BY FRANCHISEE.

Initial

FRANCHISEE:

By: _____

_____,
(Print Name, Title)

Date: _____

PRINCIPAL:

(Print Name)

Date: _____

PRINCIPAL:

(Print Name)

Date: _____

ATTACHMENT 2

Service Marks –



ATTACHMENT 3

TERRITORY DESCRIPTION AND GOFER ICE CREAM SHOP LOCATION

Territory (insert map and/or define by zip codes):

(If there is no Approved Location on the Effective Date, insert: ****TERRITORY AND ADDRESS TO BE DETERMINED AND INSERTED AFTER A GOFER ICE CREAM PREMISES IS IDENTIFIED BY FRANCHISEE AND APPROVED BY FRANCHISOR, IN ACCORDANCE WITH SECTION 8.1 OF THE FRANCHISE AGREEMENT, IN THE SITE SEACH AREA OF _____.**)

Gofer Ice Cream Shop Address:

ATTACHMENT 4

GENERAL RELEASE

____ (“Franchisee”) and its principal(s):

(a) Franchisee and Franchisee’s Principal(s) do, for themselves and their successors and assigns, hereby release and forever discharge generally Franchisor and any affiliate, wholly owned or controlled limited liability company, subsidiary, successor or assign thereof and any shareholder, officer, director, employee, agent, executor, administrator, estate, trustee or heir of any of them (the “Released Franchisor Party”), from any and all claims, demands, damages, injuries, agreements and contracts, indebtedness, accounts of every kind or nature, whether presently known or unknown, suspected or unsuspected, disclosed or undisclosed, actual or potential, which Franchisee or Franchisee’s Principal(s) may now have, or may hereafter claim to have or to have acquired of whatever source or origin, arising out of or related to any and all transactions of any kind or character at any time prior to and including the date hereof, including generally any and all claims at law or in equity, those arising under the common law or state or federal statutes, rules or regulations such as, by way of example only, franchising, securities and antitrust statutes, rules or regulations, in any way arising out of or connected with the Franchise Agreement or this General Release, and 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 any Released Franchisor Party, 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 General Release. In the event Franchisee or Franchisee’s Principal(s) breaches any of the promises, covenants, or undertakings made herein by any act or omission, Franchisee and Franchisee’s Principal(s) shall pay, by way of indemnification, all costs and expenses of any Released Franchisor Party caused by the act or omission, including reasonable attorneys’ fees and costs.

(b) Franchisee and Franchisee’s Principal(s) represent and warrant that no portion of any claim, right, demand, obligation, debt, guarantee, or cause of action released hereby has been assigned or transferred by Franchisee or Franchisee’s Principal(s) 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 Franchisor Party because of any such purported assignment, transfer or subrogation, Franchisee and Franchisee’s Principal(s) agree to indemnify and hold such Released Franchisor 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.

(c) THIS RELEASE IS A GENERAL RELEASE AND THE PARTIES INTEND AND AGREE THAT IT SHALL BE INTERPRETED, CONSTRUED AND ENFORCED AS SUCH.

(d) Franchisee and Franchisee’s Principal(s) acknowledge, warrant, and represent that no promises, representations, or inducements, except as set forth in this General Release, have been offered or made by any Franchisor Released Party to secure the execution of this General Release, and that this General Release is executed without reliance on any statements or any representations not contained herein. Franchisee and Franchisee’s Principal(s) knowingly waive (1) any claim that this General Release was induced by any misrepresentation or nondisclosure, and (2) any right to rescind or avoid this General Release based upon presently existing facts, known or unknown.

FRANCHISEE AND FRANCHISEE'S PRINCIPAL(S) ON BEHALF OF THEMSELVES AND THE FRANCHISEE RELEASORS WAIVE ANY RIGHTS AND BENEFITS CONFERRED BY ANY APPLICABLE PROVISION OF LAW EXISTING UNDER ANY FEDERAL, STATE OR POLITICAL SUBDIVISION THEREOF WHICH WOULD INVALIDATE ALL OR ANY PORTION OF THE RELEASE CONTAINED HEREIN BECAUSE SUCH RELEASE MAY EXTEND TO CLAIMS WHICH THE FRANCHISEE RELEASORS DO NOT KNOW OR SUSPECT TO EXIST IN THEIR FAVOR AT THE TIME OF EXECUTION OF THIS AGREEMENT. Franchisee and Franchisee's Principal(s) also covenant not to bring any suit, action, or proceeding, or make any demand or claim of any type, against any Released Franchisor Party with respect to any Franchisee Released Claim, and Franchisee and Franchisee's Principal(s) shall defend, indemnify, and hold harmless each of Franchisor Releasees against same.

Executed as of _____, 20____.

FRANCHISEE:

By: _____

(Print Name, Title)

PRINCIPAL:

(Print Name)

PRINCIPAL:

(Print Name)

ATTACHMENT 5

**AUTHORIZATION AGREEMENT
AUTOMATIC DEPOSITS (ACH WITHDRAWALS)**

Franchisor Name: **Gofer Franchise Systems, LLC**

I (We) hereby authorize Gofer Franchise Systems, LLC, hereinafter called Franchisor, to initiate debit entries to my (our) Checking Account/Savings Account (Select One) indicated below at the depository financial institution named below, and to debit the same to such account. I (We) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. Law, and that I will be responsible for any banking fees that my institution charges.

Financial Institution Name: _____ Branch: _____

City: _____ State: _____ Zip: _____ Phone: _____

ACH/Routing Number: _____ Account Number: _____
(Nine Digits)

This authorization is to remain in full force and effect until Franchisor has received a written replacement ACH Withdrawal Form notification from me. I (We) understand that revocation of this Authorization Agreement by me (us) may constitute an event of Default under the Franchise Agreement.

I (We) understand that the amount to be withdrawn by Franchisor will not be the same each month and I (We) therefore authorize all monetary transfers pursuant to Articles 6 and 18 of the Franchise Agreement.

Print Franchisee / Account Holder Name

Print Franchisee/Co-Account Holder Name

Franchisee/ Account Holder Signature-Date

Franchisee/Co-Account Holder Signature-Date

Daytime Phone Number

Email Address

PLEASE ATTACH A VOIDED CHECK TO THIS FORM

**Please Return Form to: Gofer Franchise Systems, LLC
869 High Ridge Road
Stamford, CT 06905
Phone #: 203-559-9202**

ATTACHMENT 6

CONDITIONAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned _____ ("Assignor") hereby assigns and transfers to Gofer Franchise Systems, LLC, a Connecticut limited liability company with a notice address of 869 High Ridge Road, Stamford, CT 06905 ("Assignee"), all of Assignor's right, title and interest as tenant in, to and under that certain lease, a copy of which shall be attached hereto (the "Lease") respecting premises commonly known as _____. This Assignment is for collateral purposes only and except as specified herein, Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment or the Lease unless Assignee takes possession of the premises demised by the Lease pursuant to the terms hereof and assumes the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that Assignor has full power and authority to so assign the Lease and Assignor's interest therein and that Assignor has not previously assigned or transferred, and is not obligated to assign or transfer, any of Assignor's interest in the Lease or the premises demised thereby.

Upon a default by Assignor under the Lease or under the franchise agreement for a Gofer Ice Cream outlet between Assignee and Assignor (the "Franchise Agreement"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, Assignee shall have the right and is hereby empowered to take possession of the Premises demised by the Lease, expel Assignor therefrom, and, in such event, Assignor shall have no further right, title or interest in the Lease.

Assignor agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement and any renewals thereto, Assignor agrees that it shall elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days prior to the last day that the option must be exercised, unless Assignee otherwise agrees in writing. If Assignee does not otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as aforesaid, Assignor hereby appoints Assignee as its true and lawful attorney-in-fact to exercise such extension or renewal options in the name, place and stead of Assignor for the purpose of effecting such extension or renewal.

ASSIGNOR:

DATED: _____ By: _____

(Print Name, Title)

DATED: _____

DATED: _____

CONSENT AND AGREEMENT OF LANDLORD

to that Conditional Assignment of Lease from _____ (Assignor) to Gofer Franchise Systems, LLC (Assignee) dated _____ for the property known as _____.

The undersigned Landlord under the aforescribed Lease further hereby:

- (a) Agrees to notify Assignee in writing of and upon the failure of Assignor to cure any default by Assignor under the Lease;
- (b) Agrees that Assignee shall have the right, but shall not be obligated, to cure any default by Assignor under the Lease within 30 days after delivery by Landlord of notice thereof in accordance with paragraph (a) above;
- (c) Consents to the foregoing Conditional Assignment and agrees that if Assignee takes possession of the Premises demised by the Lease and confirms to Landlord the assumption of the Lease by Assignee as tenant thereunder, Landlord shall recognize Assignee as tenant under the Lease, provided that Assignee cures within the 30-day period the non-monetary defaults, if any, of Assignor under the Lease;
- (d) Agrees that Assignee may further assign the Lease to a person, firm or corporation who shall agree to assume the tenant's obligations under the Lease and who is reasonably acceptable to Landlord and upon such assignment Assignee shall have no further liability or obligation under the Lease as assignee, tenant or otherwise.
- (e) Permits Assignee to enter upon the Premises without being guilty of trespass or any other crime or tort to de-identify the Premises as a Gofer Ice Cream outlet if Tenant fails to do so following termination of the Franchise Agreement or Lease, provided that Assignee shall repair any damage caused thereby.

DATED: _____

LANDLORD:

ATTACHMENT 7

STATEMENT OF OWNERSHIP INTERESTS IN FRANCHISEE

Name

Percentage of Ownership

ATTACHMENT 8

GUARANTY

This Guaranty and Covenant (this “Guaranty”) is given by the undersigned (“Guarantor”) on_____, 20____ to Gofer Franchise Systems, LLC, a Connecticut limited liability company (“Franchisor”), in order to induce Franchisor to enter into that certain Franchise Agreement dated of even date herewith (the “Franchise Agreement”) with _____, a(n) _____, _____ and _____ (collectively “Franchisee”).

Guarantor acknowledges that Guarantor is the spouse of Franchisee’s Principal, as that term is used in the Franchise Agreement.

Guarantor acknowledges that Guarantor has read the terms and conditions of the Franchise Agreement and acknowledges that the execution of this Guaranty are in partial consideration for, and a condition to the granting of, the rights granted in the Franchise Agreement to Franchisee, and that Franchisor would not have granted these rights without the execution of this Guaranty by Guarantor.

Guarantor hereby individually makes, agrees to be bound by, and agrees to perform, all of the monetary obligations and non-competition covenants and agreements of the Franchisee as set forth in the Franchise Agreement, including but not limited to, the covenants set forth in Sections 19.2, 19.5, 19.6, 19.8 and 19.9 of the Franchise Agreement (“Guaranteed Obligations”). Guarantor shall perform and/or make punctual payment to Franchisor of the Guaranteed Obligations in accordance with the terms of the Franchise Agreement or other applicable document forthwith upon demand by Franchisor.

This Guaranty is an absolute and unconditional continuing guaranty of payment and performance of the Guaranteed Obligations. This Guaranty shall not be discharged by renewal of any claims guaranteed by this instrument, change in ownership or control of the Franchisee entity, transfer of the Franchise Agreement, the suffering of any indulgence to any debtor, extension of time of payment thereof, nor the discharge of Franchisee by bankruptcy, operation of law or otherwise. Presentment, demand, protest, notice of protest and dishonor, notice of default or nonpayment and diligence in collecting any obligation under any agreement between Franchisee and Franchisor are each and all waived by Guarantor and/or acknowledged as inapplicable. Guarantor waives notice of amendment of any agreement between Franchisee and Franchisor and notice of demand for payment by Franchisee. Guarantor further agrees to be bound by any and all amendments and changes to any agreement between Franchisee and Franchisor.

Franchisor may pursue its rights against Guarantor without first exhausting its remedies against Franchisee and without joining any other guarantor hereto and no delay on the part of Franchisor in the exercise of any right or remedy shall operate as a waiver of such right or remedy, and no single or partial exercise by Franchisor of any right or remedy shall preclude the further exercise of such right or remedy.

If other guarantors have guaranteed any and or all of the Guaranteed Obligations, their liability shall be joint and several to that of Guarantor.

Until all of the Guaranteed Obligations have been paid in full and/or performed in full, Guarantor shall not have any right of subrogation, unless expressly given to Guarantor in writing by Franchisor.

All Franchisor's rights, powers, and remedies hereunder and under any other agreement now or at any time hereafter in force between Franchisor and Guarantor shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to Franchisor by law.

Should any one or more provisions of this Guaranty be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.

This Guaranty shall extend to and inure to the benefit of Franchisor and its successors and assigns and shall be binding on Guarantor and its successors and assigns.

Guarantor has signed this Guaranty as of the date set forth above.

GUARANTOR - SPOUSE OF FRANCHISEE'S PRINCIPAL:

Print Name: _____

ATTACHMENT 9
CONFIDENTIALITY AND NON-COMPETE AGREEMENT

This Confidentiality and Non-Compete Agreement (the “Agreement”) is made and entered into this _____ day of _____, 20____, by _____, a(n) _____ (“Franchisee”), a franchisee of Gofer Franchise Systems, LLC, a Connecticut limited liability company (“Franchisor”), and _____, an individual (“Covenantor”) in connection with an Franchise Agreement dated.

WHEREAS, Franchisee and Franchisor are parties to a franchise agreement dated _____, 20____ (the “Franchise Agreement”), whereby Franchisor has granted Franchisee the right to use certain trademarks, including, the registered trademark “Gofer Ice Cream” and design mark, and certain proprietary products, services, promotions and methods (the “System”) for the establishment and operation of Gofer Ice Cream outlets;

WHEREAS, in connection with his or her duties, it will be necessary for Covenantor to have access to some or all of the confidential information, knowledge, know-how, techniques, contents of the Gofer Ice Cream operations manual and other materials used in or related to the System and/or concerning the methods of operation of the System (collectively referred to as “Confidential Information”);

WHEREAS, the Confidential Information provides economic advantages to Franchisor and licensed users of the System, including Franchisee;

WHEREAS, Franchisee has acknowledged the importance of restricting the use, access and dissemination of the Confidential Information, and Franchisee therefore has agreed to obtain from Covenantor a written agreement protecting the Confidential Information and further protecting the System against unfair competition; and

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

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties agree as follows:

1. Confidentiality Agreement.

a. Covenantor shall, at all times, maintain the confidentiality of the Confidential Information and shall use such Confidential Information only in the course of his or her employment by or association with Franchisee in connection with the operation of a Gofer Ice Cream Shop under the Franchise Agreement.

b. Covenantor shall not at any time make copies of any documents or compilations containing some or all of the Confidential Information without Franchisor’s express written permission.

c. Covenantor shall not at any time disclose or permit the disclosure of the Confidential Information except, and only then to the limited extent necessary, to those employees of Franchisee for training and assisting such employees in the operation of the Gofer Ice Cream Shop.

d. Covenantor shall surrender any material containing some or all of the Confidential Information to Franchisee or Franchisor, upon request, or upon termination of employment or association with Franchisee.

e. Covenantor shall not at any time, directly or indirectly, do any act or omit to do any act that would or would likely be injurious or prejudicial to the goodwill associated with the System.

f. Covenantor agrees that no Confidential Information may be reproduced, in whole or in part, without written consent.

2. Covenants Not to Compete.

a. In order to protect the goodwill and unique qualities of the System, and in consideration for the disclosure to Covenantor of the Confidential Information, Covenantor further agrees and covenants that during Covenantor's employment or association with Franchisee, Covenantor shall not, for Covenantor or through, on behalf of or in conjunction with any person or entity:

(i) divert, or attempt to divert, any business or customer of the Gofer Ice Cream Shop or of other franchisees in the System to any competitor, by direct or indirect inducement or otherwise,

(ii) participate as an owner, partner, director, officer, employee, consultant or agent or serve in any other capacity in any frozen dessert business substantially similar to the System, or

b. In further consideration for the disclosure to Covenantor of the Confidential Information and to protect the goodwill and unique qualities of the System, Covenantor further agrees and covenants that, upon the termination of Covenantor's employment or association with Franchisee and continuing for five (5) years thereafter, Covenantor shall not, for Covenantor or through, on behalf of or in conjunction with any person or entity:

(i) divert, or attempt to divert, any business or customer of the Gofer Ice Cream Shop or of other franchisees in the Gofer Ice Cream System to any competitor, by direct or indirect inducement or otherwise,

(ii) participate as an owner, partner, director, officer, employee, or consultant or serve in any other managerial, operational or supervisory capacity in any frozen dessert business within the within twenty five (25) miles of Franchisee's Territory or any Gofer Ice Cream location, or

c. The parties acknowledge and agree that each of the covenants contained herein are reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the goodwill or other business interests of Franchisor.

d. If the period of time or the geographic scope specified Section 2.b. above, should be adjudged unreasonable in any proceeding, then the period of time will be reduced by such number of months or the geographic scope will be reduced by the elimination of such portion thereof, or both, so that such restrictions may be enforced for such time and scope as are adjudged to be reasonable. In addition, Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Agreement or any portion thereof, without Covenantor's or Franchisee's consent, effective immediately upon receipt by Covenantor of written notice thereof, and Covenantor agrees to forthwith comply with any covenant as so modified.

3. General.

a. Franchisee shall take full responsibility for ensuring that Covenantor acts as required by this Agreement.

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

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

d. Any failure Franchisee to object to or take action with respect to any breach of any provision of this Agreement by Covenantor shall not operate or be construed as a waiver of or consent to that breach or any subsequent breach by Covenantor.

e. THIS AGREEMENT SHALL BE INTERPRETED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE WHERE THE GOFER ICE CREAM SHOP IS LOCATED. COVENANTOR HEREBY IRREVOCABLY SUBMITS HIMSELF OR HERSELF TO THE JURISDICTION OF THE STATE AND FEDERAL COURTS OF THE SUCH STATE. COVENANTOR HEREBY WAIVES ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. COVENANTOR HEREBY AGREES THAT SERVICE OF PROCESS MAY BE MADE UPON COVENANTOR IN ANY PROCEEDING RELATING TO OR ARISING UNDER THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY SUCH STATE OR FEDERAL LAW. COVENANTOR FURTHER AGREES THAT VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT SHALL BE IN THE STATE WHERE THE GOFER ICE CREAM SHOP IS LOCATED; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION THAT INCLUDES INJUNCTIVE RELIEF OR OTHER EXTRAORDINARY RELIEF, FRANCHISOR OR FRANCHISEE MAY BRING SUCH ACTION IN ANY COURT IN ANY STATE THAT HAS JURISDICTION.

f. The parties agree that each of the foregoing covenants contained herein shall be construed as independent of any other covenant or provision of this Agreement.

g. Covenantor acknowledges and agrees that each of the covenants contained herein will not impose any undue hardship on Covenantor since Covenantor has other considerable skills, experience and education which affords Covenantor the opportunity to derive income from other endeavors.

h. This Agreement contains the entire agreement of the parties regarding the subject matter hereof. This Agreement may be modified only by a duly authorized writing executed by all parties.

i. All notices and demands required to be given hereunder shall be in writing, and shall 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 the date delivery is refused. All such notices shall be addressed to the party to be notified at the following addresses:

If directed to Franchisee:

If directed to Covenantor:

Any change in the foregoing addresses shall be effected by giving written notice of such change to the other parties.

j. Franchisor is an intended third-party beneficiary of this Agreement, and Franchisor may take whatever action it deems necessary to enforce Covenantor's obligations hereunder. The rights and remedies of Franchisor under this Agreement are fully assignable and transferable and shall inure to the benefit of its respective affiliates, successors and assigns.

k. The respective obligations of Franchisee and Covenantor hereunder may not be assigned by Franchisee or Covenantor, without the prior written consent of Franchisor.

The undersigned have entered into this Confidentiality and Non-Compete Agreement as witnessed by their signatures below.

FRANCHISEE:

By: _____
Name: _____
Title: _____

COVENANTOR:

Name: _____

ATTACHMENT 10

INTERNET ADVERTISING, SOFTWARE, SOCIAL MEDIA AND TELEPHONE LISTING AGREEMENT

THIS INTERNET ADVERTISING, SOFTWARE, SOCIAL MEDIA AND TELEPHONE LISTING AGREEMENT (the “Agreement”) is made and entered into this day of _____ (the “Effective Date”) by and between Gofer Franchise Systems, LLC, a Connecticut limited liability company (the “Franchisor”), and _____, a(n) _____, with its principal place of business located at _____ and _____’s principal(s) _____, an individual residing at _____ and _____, an individual residing at _____ (“Principal(s)”). _____ and Principal(s) shall be collectively referred to in this Agreement as the “Franchisee”.

WHEREAS, Franchisee desires to enter into a franchise agreement with Franchisor for a Gofer Ice Cream Shop business (“Franchise Agreement”) which will allow Franchisee to conduct internet-based advertising, maintain social media accounts, and use telephone listings linked to the Gofer Ice Cream Shop 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 Accounts

2.1 Interest in Websites, Social Media Accounts and Other Electronic Listings. 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 websites, and the right to hyperlink to certain websites and listings on various internet search engines (collectively, “Electronic Advertising”) 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, social media companies, and other listing agencies (collectively, the “Internet Companies”) with which Franchisee has Electronic Advertising: (i) to transfer all of Franchisee’s interest in such Electronic Advertising 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, Franchisee will immediately direct the Internet Companies to terminate such Electronic Advertising or will take such other actions with respect to the Electronic Advertising 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 Companies to transfer all Franchisee’s interest in and to the Electronic Advertising to Franchisor, or alternatively, to direct the Internet Companies to terminate any or all of the Electronic Advertising;

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 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 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 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/or Telephone Listing. Notwithstanding the foregoing, Franchisee will remain liable to each and all of the Internet 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 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, claims, 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 attachments 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 Connecticut, without regard to the application of Connecticut conflict of law rules.

The undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date.

FRANCHISEE

FRANCHISOR:

GOFER FRANCHISE SYSTEM, LLC

By:_____

Name:_____

Title:_____

By:_____

Name:_____

Title: _____

EXHIBIT C TO THE DISCLOSURE DOCUMENT

AREA DEVELOPMENT AGREEMENT

GOFER FRANCHISE SYSTEMS, LLC

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ATTACHMENTS:

Attachment 1: Developer Acknowledgment Statement

Attachment 2: Trademarks

Attachment 3: Development Area Description

AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT (this "Agreement") is being entered into this _____, (the "Effective Date") by and between Gofer Franchise Systems, LLC, a Connecticut limited liability company with a principal business address of 869 High Ridge Road, Stamford, Connecticut 06905 (herein "Franchisor") and _____, an individual residing at _____ and _____, an individual residing at _____ (individually and together herein "Developer").

RECITATIONS

Through the expenditure of considerable time, effort and money, Franchisor has developed and established unique and distinctive ice cream shops (each a "Gofer Ice Cream Shop") that offer a variety of soft-serve and hard ice creams along with associated novelties and/or merchandise under the Gofer Ice Cream trademarks and using confidential operations manual (the "Manual") of business practices and policies, and Franchisor's distinctive décor, fixtures and furnishings, operations methods, sales techniques, inventory, procedures for management control and training assistance, advertising, and promotional programs, all of which may be changed, improved, or further developed by Franchisor at any time (taken together herein, the "System").

The System is identified by certain trade names, service marks, trademarks, logos, emblems and indicia of origin, including but not limited to the Gofer Ice Cream service marks, as set forth in Attachment 2, and such other trade names, service marks, and trademarks as are now designated and may hereafter be designated or substituted by Franchisor for use in connection with the System (the "Marks").

Franchisor continues to develop, use, and control the use of such Marks in order to identify for the public the source of services and products marketed under the Marks and the System and to represent the System's high standards of quality, appearance, and service.

Pursuant to franchise agreements, Franchisor licenses to others the right to operate Gofer Ice Cream Shops, using the Marks and System, in strict conformity therewith, which may be changed, improved and further developed by Franchisor from time to time (each a "Franchise Agreement").

Developer understands and acknowledges the importance of Franchisor's high and uniform standards of quality, service, and appearance, and the necessity of operating franchised businesses of the System in conformity with Franchisor's standards and specifications.

Developer desires to obtain the right to further develop and expand the System in accordance with the development schedule described in Section 5.2 hereof (the "Mandatory Development Schedule") within the development area described in Attachment 3 (the "Development Area"), under the System and Marks, on the terms and conditions set forth in this Agreement;

NOW, THEREFORE, the parties, in consideration of the promises, undertakings and commitments of each party to the other set forth herein, and intending to be legally bound hereby, mutually agree as follows:

1. RECITATIONS. The Recitations set out above form part of this Agreement.

2. GRANT OF DEVELOPMENT RIGHTS.

- 2.1 Grant. Franchisor hereby grants to Developer, and the Developer hereby accepts from the Franchisor, on the terms and conditions set forth in this Agreement, which includes, but is not limited to, the execution of a Franchise Agreement pursuant to Section 4.1 hereof, the right to develop, construct, open and operate one Gofer Ice Cream Shop within the Development Area set forth in Attachment 3. Developer shall be granted rights to establish additional Gofer Ice Cream Shops in the Development Area, up to the total number of outlets set forth in the Mandatory Development Schedule set forth in Section 5.2 hereof, subject to Developer's full compliance with all conditions precedent to the grant of such rights outlined below, which rights shall be exercised in accordance with Section 4.1 hereof.
- 2.2 Reservation of Rights. Notwithstanding the provisions of Section 2.1 above, Developer understands and agrees Franchisor fully reserves all other rights, other than as specified in this Agreement, for sales, solicitation and distribution of Gofer Ice Cream products and services within or outside of the Development Area. This reservation of Franchisor's rights includes, but is not limited to, Franchisor's right to the rights to offer (i) other products or services not offered under the Marks, (ii) other food, beverage or frozen dessert concepts under the Marks or other trademarks, and (iii) products or services through any channel in the Development Area other than a dedicated Gofer Ice Cream Shop, such as distribution through retail outlets, including but not limited to, grocery stores and gift shops; in captive market locations, such as airports, stadiums and institutional/professional campuses and conferences; and the Internet ("Alternate Distribution Channels").
- 2.3 No License to System and Marks. Developer expressly acknowledges that this Agreement is not a Franchise Agreement and does not grant to Developer any right or license to operate a Gofer Ice Cream Shop, distribute any product or service, or use the Marks. This Agreement sets forth conditions which, if fully satisfied, confer upon Developer the rights to enter a Franchise Agreement with Franchisor to establish one or more Gofer Ice Cream Shops in the Development Area only. Developer's rights to open and operate a Gofer Ice Cream Shop and use the System and Marks shall be derived only through the execution of a Franchise Agreement for each Gofer Ice Cream Shop to be established in the Development Area.

3. TERM. Unless sooner terminated in accordance with this Agreement, the term of this Agreement and all rights granted by Franchisor under this Agreement shall expire on the date on which Developer successfully and in a timely manner has complied with all of Developer's obligations hereunder and has completed the development obligations in accordance with the Development Schedule.

4. DEVELOPMENT AND FRANCHISE FEES.

- 4.1 Area Development Fee. In consideration of the rights granted under this Agreement, Developer shall pay Franchisor a development fee ("Development Fee") equal to Twenty Five Thousand Dollars (\$25,000) for the first Gofer Ice Cream Shop agrees to develop as set forth on the Mandatory Development Schedule plus Ten Thousand Dollars (\$10,000) for each additional Gofer Ice Cream Shop Developer agrees to develop as set forth on the Mandatory Development Schedule.

The Development Fee is fully earned at the time this Area Development Agreement is signed and is not refundable under any circumstances. Developer shall pay the full amount of the Development Fee to Franchisor upon Developer's execution of this Agreement.

4.2 Application of Development Fee. Contemporaneous with the execution of this Agreement, Developer shall execute the initial Franchise Agreement for the first Gofer Ice Cream Shop to be established pursuant to the Mandatory Development Schedule. Developer shall receive the applicable credit from the Development Fee, which shall be applied to the Initial Franchise Fee due under the initial Franchise Agreement. Provided that Developer is in compliance with the Mandatory Development Schedule and is not otherwise in breach of this Agreement, upon the execution each of additional Franchise Agreement for a Gofer Ice Cream Shop to be developed hereunder, Developer shall receive the applicable credit from the Development Fee, which shall be applied, as payment in full, of the Initial Franchise Fee payable pursuant to each such additional Franchise Agreement. Upon Franchisor's approval, Developer may enter into the initial Franchise Agreement or any subsequent Franchise Agreement as required under this Agreement using a newly formed entity, such as a limited liability company, corporation or partnership, for the sole purpose of entering into a Franchise Agreement and operating the Gofer Ice Cream Shop pursuant thereto, provided that Developer shall also personally sign such Franchise Agreement as a principal.

5. EXERCISE OF DEVELOPMENT RIGHTS.

5.1 Valid Exercise. Developer shall exercise the development rights granted hereunder only by entering into a separate Franchise Agreement with Franchisor for each Gofer Ice Cream Shop for which a development right is granted. Developer shall execute and deliver to Franchisor, concurrently with the execution and delivery of this Agreement, Franchisor's current form of Franchise Agreement for the first Gofer Ice Cream Shop to be established by Developer pursuant to the Mandatory Development Schedule. For each subsequent Gofer Ice Cream Shop to be established hereunder, Developer shall execute and deliver to Franchisor Franchisor's then-current form of Franchise Agreement, which shall be presented to Developer together with Franchisor's then-current Franchise Disclosure Document. The then-current form of Franchise Agreement may differ from the current form of Franchise Agreement. Further, Developer acknowledges and agrees that Developer shall not receive any initial training related to each additional Gofer Ice Cream Shop. Developer hereby waives all obligations by Franchisor to provide any training to Developer contained in each Franchise Agreement, other than the initial Franchise Agreement executed concurrently with this Agreement, by and between Franchisor and Developer. Developer hereby acknowledges and agrees that the training Developer receives pursuant to the initial Franchise Agreement executed concurrently with this Agreement is sufficient to allow Developer to construct, equip, open and operate each of Developer's Gofer Ice Cream Shop in the Development Area.

5.2 Mandatory Development Schedule. Subsequent to Developer's signing of this Agreement and the initial Franchise Agreement, and provided that all conditions in Section 5.4 hereof are satisfied or waived, upon the execution of a lease for Developer's first Gofer Ice Cream Shop, Developer shall execute an additional Franchise Agreement for the development of the second Gofer Ice Cream Shop to be opened under the Mandatory Development Schedule. Provided that all conditions in Section 5.4 hereof are satisfied or waived, upon the execution of a lease for each subsequent Gofer Ice Cream Shop to be developed by Developer, Developer shall execute an additional Franchise Agreement for the development of the next Gofer Ice Cream Shop to be opened under the Mandatory Development Schedule. Notwithstanding the foregoing, Developer shall open the Gofer Ice Cream Shop in accordance with the following schedule:

Outlet for Development	Mandatory Open Date
1	___ months following the Effective Date
2	___ months following the Effective Date
3	___ months following the Effective Date

Developer acknowledges and agrees that the terms of the Mandatory Development Schedule are reasonable and viable based upon Developer's independent investigation and analysis. Failure by Developer to adhere to the Mandatory Development Schedule (including any extensions thereof approved by Franchisor in writing pursuant to Section 5.3 below) shall constitute a material event of default under this Agreement.

5.3 Extension of Mandatory Development Schedule. If Developer is unable to meet the Mandatory Development Schedule for any Gofer Ice Cream Shop, Developer may seek a reasonable extension from Franchisor. Any request for an extension must be in writing and submitted to Franchisor at least sixty (60) days prior to the Mandatory Open Date for such outlet. Franchisor shall not unreasonably withhold consent for such reasonable extension provided that Developer has (i) submitted its extension request in a timely manner; (ii) demonstrated diligent efforts to meet the original Mandatory Open Date; and (iii) has at all times acted in good faith and is otherwise fulfilling its obligations under this Agreement.

5.4 Conditions to Exercise Developer's Rights. All of the following conditions must be satisfied or waived, in Franchisor's sole discretion, before Franchisor grants Developer the right to develop an additional Gofer Ice Cream Shop in accordance with Section 5.1 hereof and pursuant to a Franchise Agreement:

5.4.1 Developer shall (i) request Franchisor's then-current Franchise Disclosure Document, (ii) submit to Franchisor all information and other documents requested by Franchisor prior to and as a basis for the issuance of Franchise Agreements in the System, (iii) submit to Franchisor all financial statements reasonably requested by Franchisor, and (iv) satisfy Franchisor's then-current financial criteria for multi-unit franchisees.

5.4.2 Developer shall be in full compliance with this Agreement, the Mandatory Development Schedule, and all Franchise Agreements with Franchisor and any other agreement with Franchisor or Franchisor's affiliates; and

5.4.3 Developer has demonstrated the management skills necessary for competent operation, organization, customer service and record keeping of an additional Gofer Ice Cream Shop as determined by Franchisor, in Franchisor's sole discretion.

5.5 Termination for Failure of Condition. Notwithstanding anything to the contrary contained herein, in the event that Franchisor determines, in Franchisor's sole and absolute discretion, that any condition set forth in Section 5.4 hereof cannot be satisfied, Franchisor may terminate this Agreement upon written notice to Developer. Termination of this Agreement in accordance with this Section 5.5 shall have no effect on the validity of any other agreement between Franchisor and Developer, provided that Developer is in full compliance therewith.

5.6 Appointment of Manager.

5.6.1 Developer shall designate and retain at all times a senior operating manager ("Senior Operating Manager") to direct and oversee the operations of the Gofer Ice Cream Shops located within the Development Area. Developer shall designate its Senior Operating Manager prior to Developer attending the Initial Management Training Program pursuant to the Franchise Agreement for the first Gofer Ice Cream Shop to be established by Developer pursuant to the Mandatory Development Schedule.

- 5.6.2 The Senior Operating Manager shall, during the entire period he or she serves as Senior Operating Manager, meet the following qualifications:
- 5.6.2.1 If Developer is a corporation, limited liability company, partnership, or other form of business entity, own at least ten percent (10%) of the voting equity interests in Developer
 - 5.6.2.2 Meet all of Franchisor's standards and criteria for such individual(s), as set forth in the Manual or otherwise in writing by Franchisor, and shall be an individual otherwise acceptable to Franchisor in its sole discretion.
 - 5.6.2.3 Devote his or her full time and best efforts to the supervision and management of the Gofer Ice Cream Shops established in the Development Area, and may not engage in any other business activity without the Franchisor's consent, which may be withheld in Franchisor's sole discretion.
 - 5.6.2.4 Satisfy the training requirements set forth in the Franchise Agreements for the Gofer Ice Cream Shops to be established by Developer pursuant to the Mandatory Development Schedule.
- 5.6.3 If the Senior Operating Manager is not able to continue to serve in such capacity, or no longer qualifies to act as such in accordance with this Agreement or the Franchise Agreements executed pursuant to the Mandatory Development Schedule, Developer shall promptly notify Franchisor and designate a replacement within thirty (30) days after the Senior Operating Manager ceases to serve, such replacement being subject to the same qualifications required by this Agreement and any Franchise Agreements which are in effect at the time such replacement is appointed. Developer's replacement Senior Operating Manager shall attend and satisfactorily complete the Initial Management Training Program, at Developer's sole cost and expense, including the payment of the then-current tuition rate therefor, within sixty (60) days of being appointed. Until such replacement is designated and trained, Developer shall provide for interim management of the Development Area, who shall act in accordance with the terms of this Agreement and any Franchise Agreements in effect during such time. Any failure to comply with the requirements of this Section shall be deemed a material event of default under this Agreement. Franchisor, in Franchisor's sole discretion, may provide interim management support and charge Developer twenty percent (20%) of the Gross Revenue generated by the Gofer Ice Cream Shops in the Development Area during Franchisor's operation thereof until such Senior Operating Manager is properly trained or certified in accordance with Franchisor's requirements, plus any and all costs of travel, lodging, meals and other expenses reasonably incurred by Franchisor.
- 5.6.4 Developer's obligations in this Section 5.6 shall survive the expiration or termination and shall be binding upon Developer for so long as Developer operates any Gofer Ice Cream Shops in the Development Area established by Developer pursuant to the Mandatory Development Schedule.

6. TRANSFER.

6.1. Transfers by Franchisor.

- 6.1.1. Franchisor shall have the right to assign this Agreement, and all of Franchisor's rights and

privileges hereunder, to any person, firm, corporation or other entity, without Developer's permission or prior knowledge, provided that, with respect to any assignment resulting in the subsequent performance by the assignee of Franchisor's obligations, the assignee shall expressly assume and agree to perform Franchisor's obligations hereunder. Specifically, and without limitation to the foregoing, Developer expressly affirms and agrees that Franchisor may: (i) sell Franchisor's assets and Franchisor's rights to the Marks and the System outright to a third party; (ii) engage in a public or private placement of some or all of Franchisor's securities; (iii) merge, acquire other corporations, or be acquired by another corporation, including competitors; (iv) undertake a refinancing, recapitalization, leveraged buy-out or other economic or financial restructuring; and (v) with regard to any or all of the above sales, assignments and dispositions, Developer expressly and specifically waives any claims, demands or damages arising from or relating to the loss of association with or identification of Franchisor. Nothing contained in this Agreement shall require Franchisor to remain in the business franchised herein or to offer the same products and services, whether or not bearing the Marks, in the event that Franchisor exercises its prerogative hereunder to assign Franchisor's rights in this Agreement.

6.1.2. Developer agrees that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities operating under the Marks or any other marks following Franchisor's purchase, merger, acquisition or affiliation, regardless of the location of the facilities (which Developer acknowledges may be within the Development Area, proximate thereto, or proximate to any of Developer's Gofer Ice Cream Shops).

6.1.3. If Franchisor assigns its rights in this Agreement, nothing herein shall be deemed to require Franchisor or any of its affiliates to remain in any line of business or to offer or sell any products or services to Developer.

6.2 Restrictions on Transfers by Developer. Developer's rights and duties under this Agreement are personal to Developer, and Franchisor has made this Agreement with Developer in reliance on Franchisor's perceptions of the individual and collective character, skill, aptitude, attitude, business ability, and financial capacity of Developer. Thus, no transfer, as hereafter defined, may be made without Franchisor's prior written approval. Franchisor may void any transfer made without such approval.

6.3 Transfers by Developer. Developer shall not directly or indirectly sell, assign, transfer, give, devise, convey or encumber this Agreement or any right granted or interest herein or hereunder (a "Transfer") or suffer or permit any such assignment, transfer, or encumbrance to occur by operation of law unless Developer first obtains the written consent of Franchisor, which Franchisor may or may not grant in Franchisor's sole discretion, and subject to the following:

6.3.1 The proposed transferee must be an individual of good moral character and otherwise meet Franchisor's then-applicable standards for multi-unit franchisees.

6.3.2 The transferee must have sufficient business experience, aptitude and financial resources to operate multiple Gofer Ice Cream Shops and to comply with this Agreement;

6.3.3 The transferee has agreed to complete Franchisor's Initial Management Training Program to Franchisor's satisfaction;

6.3.4 Developer has paid all amounts owed to (i) Franchisor pursuant to this Agreement and all Franchise Agreements and other agreements between Franchisor and/or Franchisor's affiliates and Developer and (ii) third-party creditors;

6.3.5 The transferee has executed Franchisor's then-standard form of Area Development Agreement, which may have terms and conditions different from this Agreement, for a term no less than the unexpired term of future development obligations due pursuant to the Mandatory Development Schedule of this Agreement;

6.3.6 Developer and the transferee shall have executed a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor and Franchisor's officers, directors, shareholders, members and employees in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances. Developer agrees to subordinate any claims Developer may have against the transferee to Franchisor and indemnify Franchisor against any claims by the transferee relating to misrepresentations in the transfer process, specifically excluding those representations made by Franchisor in the Franchise Disclosure Document given to the transferee;

6.3.7 Franchisor has granted written approval of the material terms and conditions of the Transfer, including, without limitation, that the price and terms of payment will not adversely affect the transferee's development obligations. However, Franchisor's approval of a Transfer is not in any way a representation or warranty of the transferee's success or the soundness of transferee's decision to purchase the Developer's development rights on such terms and conditions. Developer shall provide Franchisor all proposed transfer documents for Franchisor's review at least thirty (30) days prior to a closing of the proposed Transfer; and

6.3.8 If Developer, through Developer or any entity, finances any part of the sale price of the Transfer, Developer agrees that all obligations of the transferee under any notes, agreements or security interests to Developer or Developer's entity will be subordinate to the transferee's obligations to Franchisor.

6.4 Transfer Fee. As a condition to any Transfer, Developer shall pay Franchisor a transfer fee equal to fifty percent (50%) of the Development Fee paid pursuant to this Agreement; provided however, (i) for transfers among the individuals named as Developer in the introductory paragraph of this Agreement, and (ii) for a transfer to a spouse upon death or permanent disability of a Developer, no Transfer Fee shall be payable.

6.5 Franchisor 's Right of First Refusal.

6.5.1 If Developer wishes to transfer all or part of his or her interest in this Agreement pursuant to any bona fide offer received from a third party to purchase such interest, then Developer shall promptly notify Franchisor in writing of each such offer, and shall provide such information and documentation relating to the offer as Franchisor may require.

6.5.2 Franchisor has the right, exercisable by written notice to Developer within thirty (30) days after receipt of written notification and copies of all documentation required by Franchisor describing such offer, to buy the interest in this Agreement for the price and on the terms and conditions contained in the offer.

- 6.5.3 Developer further agrees, in the event Franchisor exercises its right of first refusal, notwithstanding anything to the contrary contained in the third-party offer, that (i) Franchisor may substitute cash for any other form of consideration contained in the offer; (ii) at Franchisor's option, Franchisor may pay the entire purchase price at closing; (iii) Franchisor's credit will be deemed equal to the credit of any proposed transferee; (iv) Franchisor will have at least sixty (60) days to close the purchase; and (v) Franchisor will be entitled to receive from Developer all customary representations and warranties given by a seller of franchise development rights.
- 6.5.4 If Franchisor does not exercise its right to buy within thirty (30) days, Developer may thereafter transfer the interest to the transferee on terms no more favorable than those disclosed to Franchisor, provided that such transfer is subject to Franchisor's prior written approval pursuant to Section 6.3 hereof. However, if (i) the sale to the transferee is not completed within one hundred twenty (120) days after the offer is given to Franchisor or (ii) there is any material change in the terms of the offer, the offer will again be subject to Franchisor's right of first refusal.
- 6.6 Death or Permanent Disability. The grant of rights under this Agreement is personal to Developer, and on the death or permanent disability of Developer, the executor, administrator, conservator, or other personal representative of Developer shall be required to transfer Developer's interest in this Agreement within four (4) months from the date of death or permanent disability, to a third party approved by Franchisor. Failure to transfer in accordance with the forgoing will constitute a material default and all that is granted by this Agreement will terminate. A transfer under this Section 6.6, including without limitation, transfer by devise or inheritance, is subject to the conditions for Transfers in this Article 6 and unless transferred by gift, devise or inheritance, subject to the terms of Section 6.5 above. For purposes of this Agreement, the term "permanent disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent such person from providing continuous and material supervision of the operation of Developer's Gofer Ice Cream Shops and remaining development schedule during the six (6) month period from its onset.

Immediately after the death or permanent disability of such person, or while the rights granted under this Agreement is owned by an executor, administrator, guardian, personal representative or trustee of that person, the Developer's Gofer Ice Cream outlet(s) and remaining development schedule shall be supervised by an interim successor manager satisfactory to Franchisor, or Franchisor, in its sole discretion, may provide interim management at a fee equal to twenty percent (20%) of the Gross Revenue generated by the Developer's Gofer Ice Cream outlet(s) during Franchisor's operation thereof, plus any and all costs of travel, lodging, meals and other expenses reasonably incurred by Franchisor, pending transfer of the Developer's Gofer Ice Cream outlet(s) and remaining development schedule to the deceased or disabled individual's lawful heirs or successors.

7. DEFAULT AND TERMINATION.

- 7.1 Default and Automatic Termination. Developer shall be deemed to be in material default under this Agreement, and all rights granted herein shall automatically terminate without notice to Developer, if any Developer shall become insolvent or makes a general assignment for the benefit of creditors; or if any Developer files a voluntary petition under any section or chapter of federal bankruptcy law or under any similar law or statute of the United States or any state thereof, or

admits in writing his or her inability to pay debts when due; or if any Developer is adjudicated a bankrupt or insolvent in proceedings filed against any of Developer under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state; or if a bill in equity or other proceeding for the appointment of a receiver of any Developer or other custodian for Developer's business or assets is filed and consented to by any of Developer; or if a receiver or other custodian (permanent or temporary) of any Developer's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or if proceedings for a composition with creditors under any state or federal law should be instituted by or against any Developer; or if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); or if any Developer is dissolved; or if execution is levied against any Developer's business or property; or if suit to foreclose any lien or mortgage against any of Developer's Gofer Ice Cream Shops premises or equipment is instituted against any Developer and not dismissed within thirty (30) days.

7.2 Defaults 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, effective immediately upon notice to Developer, if Developer:

7.2.1 has misrepresented or omitted material facts in applying for the development rights granted hereunder;

7.2.2 falsifies any report required to be furnished Franchisor hereunder;

7.2.3 fails to comply with any federal, state or local law, rule or regulation, applicable to the development and operations of Developer's Gofer Ice Cream Shops, including, but not limited to, the failure to pay taxes;

7.2.4 fails to develop the Gofer Ice Cream Shops in accordance with the Mandatory Development Schedule.

7.2.5 attempts a Transfer in violation of the provisions of Article 6 of this Agreement;

7.2.6 is convicted of, or pleads no contest to, a felony or to a crime that could damage the goodwill associated with the Marks or does anything to harm the reputation of the System or the goodwill associated with the Marks;

7.2.7 receives an adverse judgment or a consent decree in any case or proceeding involving allegations of fraud, racketeering, unfair or improper trade practices or similar claim which is likely to have an adverse effect on the System, or the Marks, the goodwill associated therewith or Franchisor's interest therein, in Franchisor's sole opinion;

7.2.8 fails to comply with the non-disclosure and non-competition covenants in Article 8 hereof;

7.2.9 defaults, or an affiliate of any Developer defaults, under any other agreement, including any Franchise Agreement, with Franchisor or any of its affiliates, or with suppliers or any Developer's landlord and does not cure such default within the time period provided in such other agreement; or

7.2.10 terminates this Agreement without cause.

7.3 Curable Defaults. Developer shall be deemed to be in material default and Franchisor may, at its option, terminate this Agreement and all rights granted hereunder, if Developer fails to cure the default within the time period set forth in this Section 7.3, effective immediately upon notice to Developer, if Developer:

7.3.1 fails to pay when due any amounts due to Franchisor under this Agreement or any related agreement and does not correct the failure within five (5) days after written notice; provided, however, Franchisor has no obligation to give written notice of a late payment more than two (2) times in any twelve (12)-month period, and the third such late payment in any twelve (12)-month period shall be a non-curable default under Section 7.2;

7.3.2 fails to perform any non-monetary obligation imposed by this Agreement (excepting those defaults of obligations set forth in Sections 7.1 and 7.2 for which there is no opportunity to cure) and such default shall continue for five (5) days after Franchisor has given written notice of such default, or if the default cannot be reasonably corrected within said five (5)-day period, then if it is not corrected within such additional time as may be reasonably required assuming Developer proceeds diligently to cure; provided, however, Franchisor has no obligation to give written notice of a non-monetary default more than two (2) times in any twelve (12)-month period, and the third such default, whether monetary or non-monetary, in any twelve (12) – month period shall be a non-curable default under Section 7.2.

7.4. Post-Termination Obligations. Upon termination or expiration of this Agreement, all rights and licenses granted hereunder to Developer shall immediately terminate and Developer shall (i) immediately cease all development operations pursuant to this Agreement; and (ii) comply with the non-disclosure and non-competition covenants contained in Article 8.

8. NON-DISCLOSURE AND NON-COMPETITION COVENANTS.

8.1 Confidential Information. Developer acknowledges and accepts that during the term of this Agreement, Developer will have access to Franchisor's trade secrets, including, but not limited to, formulas, recipes, methods, processes, customer lists, vendor partnerships and/or relationships, sales and technical information, financial information, costs, product prices and names, software tools and applications, website and/or email design, products, services, equipment, technologies and procedures relating to the operation of Gofer Ice Cream Shops; the Manual; methods of advertising and promotion; instructional materials; any other information which Franchisor may or may not specifically designate as "confidential" or "proprietary"; and the components of the System, whether or not such information is protected or protectable by patent, copyright, trade secret or other proprietary rights (collectively referred to herein as the "Confidential Information"). Developer shall not, during the term of this Agreement and thereafter, communicate or divulge to, or use for the benefit of, any other person or entity, and, following the expiration or termination of this Agreement, shall not use for Developer's own benefit, any Confidential Information that may be communicated to Developer or of which Developer may be apprised in connection with the development of Gofer Ice Cream Shops under the terms of this Agreement. Developer shall not at any time copy, duplicate, record or otherwise reproduce any Confidential Information, in whole or in part, or otherwise make the same available to any person, without Franchisor's prior written consent. The covenant in this Section 8.1 shall survive the expiration, termination or transfer of this Agreement or any interest herein and shall be perpetually binding upon Developer.

- 8.2 Protection of Information. Developer shall take all steps necessary, at Developer's own expense, to protect the Confidential Information and shall immediately notify Franchisor if Developer finds that any Confidential Information has been divulged in violation of this Agreement.
- 8.3 Noncompetition Covenants. Developer acknowledges that, pursuant to this Agreement, and the Franchise Agreement, Developer will receive valuable training, trade secrets and Confidential Information of the System that are beyond the present knowledge, training and experience of Developer. Developer acknowledges that such specialized training, trade secrets and Confidential Information provide a competitive advantage and will be valuable to him or her in the development and operation of Gofer Ice Cream Shops, and that gaining access to such specialized training, trade secrets and Confidential Information is, therefore, a primary reason why Developer is entering into this Agreement. In consideration for such specialized training, trade secrets, Confidential Information and rights, Developer covenants that, except as otherwise approved in writing by Franchisor:
- 8.3.1 During the term of this Agreement, Developer shall not, either directly or indirectly, for himself or herself or through, on behalf of, or in conjunction with, any person or entity (i) divert, or attempt to divert, any business or customer of any Gofer Ice Cream Shop to be developed hereunder or of other franchisees in the System to any competitor, by direct or indirect inducement or otherwise; (ii) participate as an owner, partner, director, officer, employee, consultant or agent or serve in any other capacity in any restaurant or eatery business that derives more than ten percent (10%) of its gross receipts, from the sale of frozen desserts and related merchandise ("Competitive Business"); or (iii) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System or (iv) in any manner interfere with, disturb, disrupt, decrease or otherwise jeopardize the business of the Franchisor or any Gofer Ice Cream franchisees or Franchisor-affiliated outlets.
- 8.3.2 Upon the expiration or earlier termination of this Agreement or upon a Transfer and continuing for five (5) years thereafter, Developer shall not, either directly or indirectly, for himself or herself or through, on behalf of or in conjunction with any person or entity (i) divert, or attempt to divert, any business or customer of the Gofer Ice Cream Shops to be developed hereunder or of other franchisees in the System to any competitor, by direct or indirect inducement or otherwise; or (ii) participate as an owner, partner, director, officer, employee, consultant or agent or serve in any other capacity in any Competitive Business within twenty five (25) miles of the Development Area or any Gofer Ice Cream Shop; or (iii) do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System or (iv) in any manner interfere with, disturb, disrupt, decrease or otherwise jeopardize the business of the Franchisor or any Gofer Ice Cream franchisees.
- 8.4 Reasonableness of Restrictions. Developer acknowledges and agrees that the covenants not to compete set forth in this Agreement are fair and reasonable and will not impose any undue hardship on Developer since Developer has other considerable skills, experience and education which afford Developer the opportunity to derive income from other endeavors.
- 8.5 Reduction of Time or Scope. If the period of time or the geographic scope specified above, should be adjudged unreasonable in any proceeding, then the period of time will be reduced by such number of months or the geographic scope will be reduced by the elimination of such portion thereof, or both, so that such restrictions may be enforced for such time and scope as are adjudged

to be reasonable. In addition, Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Article 8 or any portion thereof, without Developer's consent, effective immediately upon receipt by Developer of written notice thereof, and Developer agrees to forthwith comply with any covenant as so modified.

8.6 Injunctive Relief. Developer acknowledges that a violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Franchisor for which no adequate remedy at law will be available. Accordingly, Developer hereby consents to the entry of an injunction prohibiting any conduct by Developer in violation of the terms of the covenants not to compete set forth in this Agreement.

8.7 No Defense. Developer expressly agrees that the existence of any claims he or she may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section.

9. INDEMNIFICATION. TO THE FULLEST EXTENT PERMITTED BY LAW, DEVELOPER AGREES TO EXONERATE AND INDEMNIFY AND HOLD HARMLESS GOFER FRANCHISE SYSTEMS, LLC, GOFER PROPERTIES, LLC, AND ANY OF THE ABOVE'S PARENT COMPANY, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS AND DESIGNEES (COLLECTIVELY REFERRED TO AS THE "GOFER INDEMNITEES") AS WELL AS THE GOFER INDEMNITEES' DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SHAREHOLDERS, SUCCESSORS, DESIGNEES AND REPRESENTATIVES, FROM ALL CLAIMS BASED UPON ARISING OUT OF, OR IN ANY WAY RELATED TO THE DEVELOPMENT, OPERATION, CONDITION, OR ANY PART OF ANY OF DEVELOPER'S GOFER ICE CREAM SHOPS TO BE DEVELOPED HEREUNDER, THE PRODUCTS, THE PREMISES, OR ANY ASPECT OF THE REAL ESTATE CONNECTED TO ANY OF SUCH GOFER ICE CREAM SHOPS, WHETHER CAUSED BY DEVELOPER'S AGENTS OR EMPLOYEES, OR ARISING FROM DEVELOPER'S ADVERTISING OR BUSINESS PRACTICES. DEVELOPER AGREES TO PAY FOR ALL THE GOFER INDEMNITEES' LOSSES, EXPENSES (INCLUDING, BUT NOT LIMITED TO ATTORNEYS' FEES) OR CONCURRENT OR CONTRIBUTING LIABILITY INCURRED IN CONNECTION WITH ANY ACTION, SUIT, PROCEEDING, INQUIRY (REGARDLESS OF WHETHER THE SAME IS REDUCED TO JUDGMENT OR DETERMINATION), OR ANY SETTLEMENT THEREOF FOR THE INDEMNIFICATION GRANTED BY DEVELOPER HEREUNDER. THE GOFER INDEMNITEES SHALL HAVE THE RIGHT TO SELECT AND APPOINT INDEPENDENT COUNSEL TO REPRESENT ANY OF THE GOFER INDEMNITEES IN ANY ACTION OR PROCEEDING COVERED BY THIS INDEMNITY. DEVELOPER AGREES THAT TO HOLD THE GOFER INDEMNITEES HARMLESS, DEVELOPER WILL REIMBURSE THE GOFER INDEMNITEES AS THE COSTS AND EXPENSES ARE INCURRED BY THE GOFER INDEMNITEES.

Initial

10. DISPUTE RESOLUTION

10.1 Internal Dispute Resolution. Developer shall first bring any claim, controversy or dispute arising out of or relating to this Agreement, the Attachments hereto or the relationship created by this Agreement to Franchisor's president and/or chief executive officer for resolution. After providing notice as set forth in Section 12.7 below. Developer must exhaust this internal dispute resolution procedure before Developer may bring Developer's dispute before a third party. This agreement to first attempt resolution of disputes internally shall survive termination or expiration of this Agreement.

10.2 Arbitration.

10.2.1 Except disputes not subject to alternative dispute resolution as set forth in Section 10.4, any dispute between Franchisor and Developer arising out of or relating to this Agreement, the Attachments hereto or any breach thereof, including any claim that this Agreement or any of its parts, is invalid, illegal or otherwise voidable or void, which has not been resolved in accordance with Sections 10.1, will be resolved by submission to the American Arbitration Association or its successor organization to be settled by a single arbitrator in accordance with the Commercial Arbitration Rules then in effect for such Association or successor organization.

10.2.2 All issues relating to arbitrability or the enforcement of the agreement to arbitrate contained in this Article 10 will be governed by the Federal Arbitration Act (9 U.S.C. §1 *et seq.*) and the federal common law of arbitration. All hearings and other proceedings will take place in Stamford, Connecticut, or the offices of the American Arbitration Association, or, if Franchisor so elects, in the county where the principal place of business of Developer is then located.

10.2.3 This arbitration provision is self-executing and will remain in full force and effect after expiration or termination of this Agreement. Any arbitration will be conducted on an individual, and not a class-wide or multiple plaintiffs, basis. If either party fails to appear at any properly-noticed arbitration proceeding, an award may be entered against the party by default or otherwise, notwithstanding the failure to appear. Judgment upon an arbitration award may be entered in any court having jurisdiction and will be binding, final and not subject to appeal. No punitive or exemplary damages will be awarded against Franchisor, Developer, or entities related to either of them, in an arbitration proceeding or otherwise, and are hereby waived.

10.2.4 The provisions of this Section 10.2 are independent of any other covenant or provision of this Agreement; provided, however, that if a court of competent jurisdiction determines that any of the provisions are unlawful in any way, the court will modify or interpret the provisions to the minimum extent necessary to have them comply with the law.

10.2.5 In proceeding with arbitration and in making determinations hereunder, no arbitrator shall extend, modify or suspend any terms of this Agreement or the reasonable standards of business performance and operation established by Franchisor in good faith. No notice, request or demand for arbitration shall stay, postpone or rescind the effectiveness of any termination of this Agreement.

10.2.6 Except as expressly required by law, Franchisor and Developer shall keep all aspects of any arbitration proceeding in confidence, and shall not disclose any information about the proceeding to any third party other than legal counsel who shall be required to maintain the confidentiality of such information.

10.3 Exceptions. Notwithstanding the requirements of Sections 10.2, the following claims shall not be subject to arbitration:

10.3.1 Franchisor's claims for injunctive or other extraordinary relief;

10.3.2 disputes and controversies arising from the Sherman Act, the Clayton Act or any other federal or state antitrust law;

10.3.3 disputes and controversies based upon or arising under the Lanham Act, as now or hereafter amended, relating to the ownership or validity of the Marks; and

10.3.4 enforcement of Developer's post-termination obligations, including but not limited to, Developer's non-competition covenants.

DEVELOPER IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, SUBMITTED TO COURT PURSUANT TO THIS SECTION 10.3 OR OTHERWISE, NOTWITHSTANDING ANY STATE OR FEDERAL CONSTITUTIONAL OR STATUTORY RIGHTS OR PROVISIONS.

10.4 Governing Law and Venue. This Agreement is made in and shall be substantially performed in the State of Connecticut. Any claims, controversies, disputes or actions arising out of this Agreement shall be governed, enforced and interpreted pursuant to the laws of the State of Connecticut. Developer and its Principals, except where specifically prohibited by law, hereby irrevocably submit themselves to the sole and exclusive jurisdiction of the state and federal courts in Connecticut. Developer and its Principals, hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision.

10.5 Mutual Benefit. Developer and Franchisor acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 10.4 provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising hereunder. Each of Developer and Franchisor further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement.

10.6 Waiver of Certain Damages. Developer hereby waives, to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against Franchisor, its affiliates, and their respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever. Each of Developer agrees that in the event of a dispute, Developer shall be limited to the recovery of any actual damages sustained.

10.7 Limitations of Claims. Any and all claims by Developer arising out of or relating to this Agreement or the relationship among the parties will be barred unless a proceeding for relief is commenced within one (1) year from the date on which Developer knew or should have known of the facts giving rise to such claims.

10.8 Survival. The provisions of this Article 10 shall continue in full force and effect notwithstanding the expiration or termination of this Agreement or a transfer by Franchisee or any Principal of their respective interests in this Agreement.

11. WAIVER AND RELEASE OF CERTAIN CLAIMS

11.1 Waiver of Claim for Lack of Business Success. Developer acknowledges that Developer has

conducted an independent investigation of all aspects relating to the financial, operational and other aspects of the business of developing and operating Gofer Ice Cream Shops. Developer further acknowledges that no representations of performance (financial or otherwise) for the Gofer Ice Cream Shops provided for in this Agreement has been made to Developer by Franchisor and Developer hereby waives any claim against Franchisor for any business failure Developer may experience as a developer under this Agreement.

Initial

- 11.2 Release of Prior Claims. BY EXECUTING THIS AGREEMENT, DEVELOPER INDIVIDUALLY AND ON BEHALF OF DEVELOPER'S HEIRS, LEGAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS, HEREBY FOREVER RELEASE AND DISCHARGE GOFER FRANCHISE SYSTEMS, LLC, GOFER PROPERTIES, LLC, THE GOFER INDEMNITEES, 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

12. GENERAL

- 12.1 Independent Licensee. Developer is and shall be an independent Licensee under this Agreement, and no partnership shall exist between Developer and Franchisor. This Agreement does not constitute Developer as an agent, legal representative, or employee of Franchisor for any purpose whatsoever, and Developer is not granted any right or authority to assume or create any obligation for or on behalf of, or in the name of, or in any way to bind Franchisor. Developer agrees not to incur or contract any debt or obligation on behalf of Franchisor or commit any act, make any representation, or advertise in any manner which may adversely affect any right of Franchisor or be detrimental to Franchisor or other developers or franchisees of Franchisor. Pursuant to the above, Developer agrees to indemnify Franchisor and hold Franchisor harmless from any and all liability, loss, attorneys' fees, or damage Franchisor may suffer as a result of claims, demands, taxes, costs or judgments against Franchisor arising out of the relationship hereby established which specifically, but not exclusively, includes costs, losses, expenses, attorneys fees relative to assignment or the transfer of right to develop and transactional costs relative thereto, defaults under any leases, subleases, notes, receipt of revenues or any other relationships arising directly or indirectly out of the development and operation of the Gofer Ice Cream Shops.
- 12.2 Successors. This Agreement shall bind and inure to the benefit of the successors and assigns of Franchisor and shall be personally binding on and inure to the benefit of Developer and his or her respective heirs, executors, administrators and successors or assigns; provided, however, the foregoing provision shall not be construed to allow a transfer of any interest of Developer in this Agreement, except in accordance with Article 6 hereof.

- 12.3 Invalidity of Part of Agreement. Should any provisions in this Agreement, for any reason, be declared invalid, then such provision shall be invalid only to the extent of the prohibition without in any way invalidating or altering any other provision of this Agreement.
- 12.4 Entire Agreement. This Agreement, including all attachments, is the entire agreement of the parties, superseding all prior written or oral agreements of the parties concerning the same subject matter, and superseding all prior written or oral representations made to Developer, except that nothing in this Agreement or in any related agreement is intended to disclaim the representations Franchisor made to Developer in Franchisor's Franchise Disclosure Document. . No agreement of any kind relating to the matters covered by this Agreement and no amendment of the provisions hereof shall be binding upon either party unless and until the same has been made in writing and executed by all interested parties.
- 12.5 Construction. All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement or any provision herein may require, as if such words had been fully and properly written in the appropriate number and gender. All covenants, agreements and obligations assumed herein by Developer shall be deemed to be joint and several covenants, agreements and obligations of each of the persons named as Developer, if more than one person is so named.
- 12.6 Captions. Captions and section headings are used herein for convenience only. They are not part of this Agreement and shall not be used in construing it.
- 12.7 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.
- 12.8 Effect of Waivers. No waiver, delay, omission, or forbearance on the part of Franchisor to exercise any right, option, duty or power arising from any default or breach by Developer shall affect or impair the rights of Franchisor with respect to any subsequent default of the same or of a different kind.
- 12.9 Remedies Cumulative. All rights and remedies of the parties to this Agreement shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies that are provided for herein or that may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement or any other agreement between Developer or any of its affiliates and Franchisor or any of its affiliates. The rights and remedies of the parties to this Agreement shall be continuing and shall not be exhausted by any one or more uses thereof, and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time. The expiration, earlier termination or exercise of Franchisor's rights pursuant to Article 7 shall not discharge or release Developer from any liability or obligation then accrued, or any liability or obligation continuing beyond, or arising out of, the expiration, the earlier termination or the exercise of such rights under this Agreement.

12.10. Consent to Do Business Electronically. The parties to this Agreement hereby consent to do business electronically. Pursuant to the Uniform Electronic Transactions Act as adopted by the State of Connecticut, the parties hereby affirm to each other that they agree with the terms of this Agreement, and by attaching their signature electronically to this Agreement, they are executing the document and intending to attach their electronic signature to it. Furthermore, the parties acknowledge that the other parties to this Agreement can rely on an electronic signature as the respective party's signature.

12.11 Counterparts. This Agreement may be executed in multiple counterparts, each of which when so executed shall be an original, and all of which shall constitute one and the same instrument.

12.12 Survival. Any obligation of Developer that contemplates performance of such obligation after termination, expiration or transfer of this Agreement shall be deemed to survive such termination, expiration or transfer.

13. **ACKNOWLEDGMENTS**. Developer hereby acknowledges the truthfulness of the statements contained in Attachment 1 hereto. Developer's acknowledgments are an inducement for Franchisor to enter into this Agreement. Developer shall immediately notify Franchisor, prior to acknowledgment, if any statement in Attachment 1 is incomplete or incorrect.

Signature Page to Follow

The parties hereto have executed this Area Development Agreement on the day and year first above written.

FRANCHISOR:

GOFER FRANCHISE SYSTEMS, L.L.C.

By: _____

_____,
(Print Name, Title)

DEVELOPER:

(Print Name)

DEVELOPER:

(Print Name)

ATTACHMENT 1

DEVELOPER ACKNOWLEDGMENT STATEMENT

Developer hereby acknowledges the following:

- 1 Developer has conducted an independent investigation of all aspects relating to the financial, operational and other aspects of the business of developing the Gofer Ice Cream Shops contemplated hereunder. Developer further acknowledges that, except as may be set forth in Franchisor's Disclosure Document, no representations of performance (financial or otherwise) for the Gofer Ice Cream Shops to be developed hereunder has been made to Developer by Franchisor and Developer hereby waives any claim against Franchisor for any business failure Developer may experience as a developer under this Agreement.

Initial

- 2 Developer agrees that no claims of success or failure have been made to him or her prior to signing this Agreement and that he/she understands all the terms and conditions of this Agreement. Developer further acknowledges that this 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

- 3 Developer has no knowledge of any representations by Franchisor or its officers, directors, shareholders, employees, sales representatives, agents, or servants, about the business contemplated by this Agreement that are contrary to the terms of this Agreement or the documents incorporated herein. Developer acknowledges that no representations or warranties are made or implied, except as specifically set forth herein. Franchisee represents, as an inducement to Franchisor's entry into this Agreement, that it has made no misrepresentations in obtaining this Agreement.

Initial

- 4 Franchisor expressly disclaims the making of, and Developer 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 this Agreement.

Initial

- 5 Developer acknowledges that he/she has received the Gofer Franchise Systems, LLC, Franchise Disclosure Document with a complete copy of this Agreement and all related Exhibits and agreements at least fourteen (14) calendar days prior to the date on which this Agreement was

executed. Developer further acknowledges that Developer has read such Franchise Disclosure Document and understands its contents.

Initial

- 6 Developer acknowledges that he/she has had ample opportunity to consult with his/her own attorneys, accountants and other advisors and that the attorneys for Franchisor have not advised or represented Developer with respect to this Agreement or the relationship thereby created.

Initial

- 7 Developer, together with Developer's advisers, has sufficient knowledge and experience in financial and business matters to make an informed investment decision with respect to the development rights granted by this Agreement.

Initial

- 8 BY EXECUTING THIS AGREEMENT, DEVELOPER, INDIVIDUALLY AND ON BEHALF OF DEVELOPER'S HEIRS, LEGAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS, HEREBY FOREVER RELEASE AND DISCHARGE GOFER FRANCHISE SYSTEMS, LLC, GOFER PROPERTIES, LLC, THE GOFER INDEMNITEES, 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. THIS RELEASE SHALL NOT APPLY TO ANY CLAIMS ARISING FROM REPRESENTATIONS MADE BY FRANCHISOR IN FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT RECEIVED BY DEVELOPER.

Initial

Signature page to follow

DEVELOPER:

By: _____

_____, _____
(Print Name, Title)

Date: _____

PRINCIPAL:

(Print Name)

Date: _____

PRINCIPAL:

(Print Name)

Date: _____

ATTACHMENT 2

Marks –



ATTACHMENT 3
DEVELOPMENT AREA DESCRIPTION

(insert map and/or define by zip codes):

EXHIBIT D TO THE DISCLOSURE DOCUMENT

OUTLETS AS OF December 31, 2021

Franchise Outlets:

Franchisee	Individual Contact	Address	City/State	Phone
EPM Corporation	Jordan Savitt	1020 Post Road	Darien, CT 06820	203-202-2661
EPM Wilton Corporation	Jordan Savitt	379 Danbury Road	Wilton, CT 06897	203-210-5546
EPM New Canaan Corporation	Jordan Savitt	103 Main Street	New Canaan, CT 06840	203-594-1342
Cool Scoops, LLC	Eric Barrow	407 Main Street	Ridgefield, CT 06877	917-653-1143

Franchise Agreements Signed But Not Open as of December 31, 2021:

Franchisee	Individual Contact	Address	City/State	Phone
IQ Ice Cream, LLC	Hasni Waheed	1240 Post Road East	Westport, CT 06880	203-428-1742

Former Franchisees

that had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or has not communicated with the franchisor within the 10 weeks preceding the Issuance Date of this Disclosure Document:

None.

EXHIBIT E TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

GOFER FRANCHISE SYSTEMS, LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2021

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Statement of Cash Flows	6
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INDEPENDENT AUDITOR'S REPORT

To the Members and Management
Gofer Franchise Systems, LLC
Stamford, Connecticut

Opinion

We have audited the accompanying financial statements of Gofer Franchise Systems, LLC (a Connecticut Limited Liability Company), which comprise the balance sheet as of December 31, 2021, and the related statements of operations, changes in members' equity and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gofer Franchise Systems, LLC as of December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 Gofer Franchise Systems, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Gofer Franchise Systems, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Keiser Giordano CPAs, P.C.

Certified Public Accountants

Bristol, Pennsylvania
February 15, 2022

GOFER FRANCHISE SYSTEMS, LLC
BALANCE SHEET
DECEMBER 31, 2021

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 27,861
Receivables	
Royalties	1,243
Other	4,898
Inventory	38,836
Contract assets, franchise fees, current portion	<u>2,000</u>

TOTAL CURRENT ASSETS	<u>74,838</u>
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OTHER ASSETS

Contract assets, franchise fees, net of current portion	<u>15,916</u>
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TOTAL ASSETS	<u><u>\$ 90,754</u></u>
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LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES

Credit card payable	\$ 2,380
Gift card payable	10,676
Contract liabilities, franchise fees, current portion	<u>5,250</u>

TOTAL CURRENT LIABILITIES	<u>18,306</u>
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LONG-TERM LIABILITIES

Contract liabilities, franchise fees, net of current portion	<u>40,583</u>
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TOTAL LONG-TERM LIABILITIES	<u>40,583</u>
------------------------------------	---------------

MEMBERS' EQUITY

Members' equity	<u>31,865</u>
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TOTAL MEMBERS' EQUITY	<u>31,865</u>
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TOTAL LIABILITIES AND MEMBERS' EQUITY	<u><u>\$ 90,754</u></u>
--	-------------------------

See accompanying notes.

GOFER FRANCHISE SYSTEMS, LLC
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2021

REVENUES

Franchise fee	\$ 10,083
Royalties	114,775
Advertising and marketing fees	23,289
Vendor rebates	<u>15,765</u>

TOTAL REVENUES 163,912

OPERATING EXPENSES

Advertising & marketing	27,070
Bank charge fees	1,118
Franchise expenses	1,917
Guaranteed payment	70,000
Interest	95
Supplies	167
Professional fees	43,616
Taxes	2,313
Travel	<u>896</u>

TOTAL OPERATING EXPENSES 147,192

NET INCOME \$ 16,720

See accompanying notes.

GOFER FRANCHISE SYSTEMS, LLC
STATEMENT OF CHANGES IN MEMBERS' EQUITY
YEAR ENDED DECEMBER 31, 2021

MEMBERS' EQUITY

Members' equity beginning	\$ 15,145
Net income	<u>16,720</u>
TOTAL MEMBERS' EQUITY	<u><u>\$ 31,865</u></u>

See accompanying notes.

GOFER FRANCHISE SYSTEMS, LLC
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

Net income	\$ 16,720
Adjustments to reconcile net income to net cash provided by operating activities	
(Increase) decrease in assets:	
Receivables	
Royalties	(353)
Other	(4,316)
Inventory	(20,956)
Contract assets, franchise fees	(8,083)
Increase (decrease) in liabilities:	
Credit card payable	1,641
Gift card payable	8,023
Contract liabilities, franchise fees, current portion	14,917
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>7,593</u>
 NET INCREASE IN CASH	 7,593
 CASH AND CASH EQUIVALENTS, BEGINNING	 <u>20,268</u>
 CASH AND CASH EQUIVALENTS, ENDING	 <u><u>\$ 27,861</u></u>

See accompanying notes.

GOFER FRANCHISE SYSTEMS, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Gofer Franchise Systems, LLC (the Company) was formed on July 15, 2019 to offer and sell franchises for the right to operate a “Gofer Ice Cream Shop”. The Company grants franchisees the right to operate a business offering proprietary “Gofer Ice Cream” brand soft-serve and hard ice cream (“Proprietary Products”), together with associated novelties (the “Other Products”) under the “Gofer Ice Cream Marks”, using their distinctive operating procedures and standards in a limited protected territory and from a single location (a “Gofer Ice Cream Shop”). The distinguishing characteristics of a Gofer Ice Cream Shop include, but are not limited to, the Gofer Ice Cream distinctive trade dress, proprietary products, operations methods, inventory, procedures for management, training, advertising, and promotional programs.

The Company commenced operations on July 29, 2019. The Company does not own or operate any business of this type being franchised as of December 31, 2021. As of December 31, 2021, there were four franchisee-owned locations.

Basis of Accounting and Use of Estimates

The financial statements are presented on the accrual basis of accounting. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Concentration of Credit Risk - Cash

The Company maintains cash balances at financial institutions, which at various times during the year may exceed the threshold for insurance provided by the Federal Deposit Insurance Corporation (FDIC). The Company believes it is not exposed to any significant credit risk on its cash.

Revenue Recognition

The Company generates revenue from the sale of franchise licenses under various agreements. This initial franchise fee is due at signing and is earned based on the recognition of specific performance obligations. The Company also generates revenue from royalty and advertising fees. From time to time the Company can charge various other fees as outlined in the Franchise Disclosure Document. See Note 2, “Revenue from Contracts With Customers” for further information regarding implementation and disclosures.

Cash and Cash Equivalents

For purposes of the financial statements, the Company considers all highly liquid investments purchased with an original maturity of three (3) months or less to be cash equivalents.

Accounts Receivable

Accounts receivable is reported at the amount management expects to collect from outstanding balances. Account balances that are still outstanding after management has used reasonable collection efforts will be written off through a charge to the valuation allowance, and a credit to the allowance account. There is no valuation allowance recorded as of December 31, 2021.

GOFER FRANCHISE SYSTEMS, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventory

Inventory consists of materials and supplies and are valued at the lower of cost (first-in, first-out) or net realizable value.

Property and Equipment and Depreciation

Property and equipment will be stated at cost. Depreciation will be provided by using the straight-line method over the estimated useful lives of the assets. The useful lives of property and equipment for purposes of computing depreciation will be between five (5) to seven (7) years.

Income Taxes

No provision has been made for federal income taxes since the Company maintains a tax status as a limited liability company, with distributable partnership interests, whereby the income is taxed directly to the members. The same tax status is maintained for state income tax purposes.

The Company's income tax returns are subject to examination by the taxing authorities for a period of up to three years from the date they are filed. As of December 31, 2021, tax year 2019 and 2020 were open.

Limited Liability Company

Since the Company is a limited liability company, no member, manager, agent, or employee of the Company shall be personally liable for the debts, obligations, or liabilities of the Company, whether arising in contract, tort, or otherwise, or for the acts or omissions of any other member, director, manager, agent, or employee of the Company, unless the individual has signed a specific personal guarantee. The duration of the Company is perpetual.

As a limited liability company, each member's liability is limited to amounts reflected in their respective member equity accounts.

Brand Development Fund

The Company collects funds from franchisees to manage the brand level advertising, marketing, and development programs. The fee is based on weekly sales, payable weekly. The funds are maintained in a separate account.

Advertising and Marketing Costs

Advertising and marketing costs are charged to operations in the year incurred. Total advertising and marketing costs for the year ended December 31, 2021 was \$27,070

Gift Cards

The Company manages a gift card program with no expiration date that can be redeemed at any franchise location. Funds are transferred to the franchisee when the gift card is redeemed. Unredeemed gift card balances are reported as deferred liability on the accompanying balance sheets.

GOFER FRANCHISE SYSTEMS, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS

Franchise Fees

The Company recognizes franchise fees in two (2) individual performance obligations. The amount allocated to the initial training program is earned at a point in time when performed. The amount allocated to the franchise license is earned over time as performance obligations are satisfied due to the continuous transfer of control to the franchisee. For the year ended December 31, 2021 revenue earned at a point in time was \$5,000 and revenue earned over time was \$5,083.

Variable Considerations

Franchise agreements contain variable considerations in the form of royalty and advertising fees. These fees are based on franchisee weekly sales and are recorded as revenue and recognized as these services are delivered because the variable payment relates specifically to the performance obligation of using the license.

Contract Assets and Liabilities

Contract assets consist of franchise contract costs paid to facilitate a franchise sale and are amortized over the life of the franchise agreements. Contract assets are a result of any payments made at the time of the signing of the franchise agreement and will fluctuate each year based on the number of franchise agreements signed. Contract assets on December 31, 2021 was \$17,616. Total cost recognized in 2021 was \$1,917.

Contract liabilities consist of the remaining initial franchise fees to be amortized over the life of the franchise agreements. Contract liabilities are a result of the collection of the initial franchise fee at the time of the signing of the franchise agreement and will fluctuate each year based on the number of franchise agreements signed.

Remaining Performance Obligations

The remaining performance obligations consist of initial franchise fees for all executed franchise agreements and are reported as contract liabilities - franchise fees, on the balance sheet. Estimated revenue expected to be recognized in the next one (1) to (5) years related to performance obligations that are either unsatisfied or partially satisfied at December 31, 2021 as contract liabilities is \$45,833.

The estimated revenue does not contemplate future franchise renewals or new franchise agreements which do not exist as of December 31, 2021.

NOTE 3 MEMBERS' EQUITY

The following is a summary of the value of the members' units outstanding as of December 31, 2021:

Units	December 31, 2020	Contributions	Distributions	Net Income	December 31, 2021
Class A	\$ 9,844	\$ -	\$ -	\$ 10,868	\$ 20,712
Class B	5,301	-	-	5,852	11,153
	<u>\$ 15,145</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,720</u>	<u>\$ 31,865</u>

The aggregate number of Units that may be issued by the Company is one million (1,000,000) (the "Authorized Units"). Of the Authorized Units, 800,000 are designated as Class A voting units and 200,000 are designated as Class B non-voting units. As of December 31, 2021, 200,980 Class A voting units have been issued and 108,220 Class B non-voting units have been issued.

GOFER FRANCHISE SYSTEMS, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 4 RELATED PARTY TRANSACTIONS

The Company receives royalties from Gofer Ice Cream, LLC, an entity with common ownership. Total royalties received amounted to \$63,994 in 2021.

NOTE 5 SUBSEQUENT EVENTS

The Company has evaluated events or transactions that have occurred after December 31, 2021 (the financial statement date) through February 15, 2022, the date that the financial statements were available to be issued. During this period, the Company did not have any material recognizable subsequent events that would require adjustment to, or disclosures in the financial statements, except as noted below.

Due to the current global pandemic, the Company and businesses in general are being affected throughout the country. The Company's royalty streams have been continuing. Management has made cuts to operating expenses and does not anticipate any issues with continuing operations. Members of the Company have financial resources available should the Company need cash flow to support the growth of the franchise business.

GOFER FRANCHISE SYSTEMS, LLC

FINANCIAL STATEMENTS

DECEMBER 31, 2020

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Giordano & Associates CPAs, P.C.

Business and Tax Consultants

INDEPENDENT AUDITORS' REPORT

To the Members and Management
Gofer Franchise Systems, LLC
Stamford, Connecticut

We have audited the accompanying financial statements of Gofer Franchise Systems, LLC (a Connecticut Limited Liability Company) which comprise the balance sheet as of December 31, 2020, and the related statements of operations, changes in members' equity, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statement

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the financial position of Gofer Franchise Systems, LLC as of December 31, 2020, and the results of its operations and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Giordano & Associates CPAs P.C.

Certified Public Accountants

Bristol, Pennsylvania
April 13, 2021



GOFER FRANCHISE SYSTEMS, LLC
BALANCE SHEET
DECEMBER 31, 2020

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 20,268
Receivables	
Royalties	890
Other	582
Inventory	17,880
Contract assets, franchise fees, current portion	<u>2,004</u>

TOTAL CURRENT ASSETS	<u><u>41,624</u></u>
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OTHER ASSETS

Contract assets, franchise fees, net of current portion	<u>7,829</u>
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TOTAL ASSETS	<u><u>\$ 49,453</u></u>
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LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES

Credit card payable	\$ 739
Gift card payable	2,653
Contract liabilities, franchise fees, current portion	<u>3,250</u>

TOTAL CURRENT LIABILITIES	<u><u>6,642</u></u>
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LONG-TERM LIABILITIES

Contract liabilities, franchise fees, net of current portion	<u>27,666</u>
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TOTAL LONG-TERM LIABILITIES	<u><u>27,666</u></u>
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MEMBERS' EQUITY

Members' equity	<u>15,145</u>
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TOTAL MEMBERS' EQUITY	<u><u>15,145</u></u>
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TOTAL LIABILITIES AND MEMBERS' EQUITY	<u><u>\$ 49,453</u></u>
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See accompanying notes.

GOFER FRANCHISE SYSTEMS, LLC
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2020

REVENUES

Franchise fee	\$ 6,584
Royalties	77,332
Advertising and marketing fees	17,394
Vendor rebates	<u>3,162</u>

TOTAL REVENUE 104,472

OPERATING EXPENSES

Advertising & marketing	29,989
Bank charge fees	1,138
Franchise expenses	1,010
Interest	353
Contract assets, franchise fees, net of current portion	247
Professional fees	40,306
Taxes	<u>1,995</u>

TOTAL OPERATING EXPENSES 75,038

NET INCOME \$ 29,434

See accompanying notes.

GOFER FRANCHISE SYSTEMS, LLC
STATEMENT OF CHANGES IN MEMBERS' EQUITY
YEAR ENDED DECEMBER 31, 2020

MEMBERS' EQUITY

Members' equity beginning	\$ 6,008
Members' contributions	9,703
Members' distributions	(30,000)
Net income	<u>29,434</u>
TOTAL MEMBERS' EQUITY	<u>\$ 15,145</u>

See accompanying notes.

GOFER FRANCHISE SYSTEMS, LLC
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Net income	\$ 29,434
Adjustments to reconcile net income to net cash provided by operating activities	
(Increase) decrease in assets:	
Receivables	
Royalties	(890)
Other	(582)
Inventory	(17,880)
Contract assets, franchise fees	(9,833)
Increase (decrease) in liabilities:	
Credit card payable	(431)
Gift card payable	2,653
Contract liabilities, franchise fees, current portion	30,916
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>33,387</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from members' contributions	9,703
Distributions to members'	(30,000)
NET CASH USED IN FINANCING ACTIVITIES	<u>(20,297)</u>

NET INCREASE IN CASH 13,090

CASH AND CASH EQUIVALENTS, BEGINNING 7,178

CASH AND CASH EQUIVALENTS, ENDING \$ 20,268

See accompanying notes.

GOFER FRANCHISE SYSTEMS, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Gofer Franchise Systems, LLC (the Company) was formed on July 15, 2019 to offer and sell franchises for the right to operate a “Gofer Ice Cream Shop”. The Company grants franchisees the right to operate a business offering proprietary “Gofer Ice Cream” brand soft-serve and hard ice cream (“Proprietary Products”), together with associated novelties (the “Other Products”) under the “Gofer Ice Cream Marks”, using their distinctive operating procedures and standards in a limited protected territory and from a single location (a “Gofer Ice Cream Shop”). The distinguishing characteristics of a Gofer Ice Cream Shop include, but are not limited to, the Gofer Ice Cream distinctive trade dress, proprietary products, operations methods, inventory, procedures for management, training, advertising, and promotional programs.

The Company commenced operations on July 29, 2019. The Company does not own or operate any business of this type being franchised as of December 31, 2020. As of December 31, 2020, there were two franchisee-owned locations.

Basis of Accounting and Use of Estimates

The financial statements are presented on the accrual basis of accounting. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Concentration of Credit Risk- Cash

The Company maintains cash balances at financial institutions, which at various times during the year may exceed the threshold for insurance provided by the Federal Deposit Insurance Corporation (FDIC). The Company believes it is not exposed to any significant credit risk on its cash.

Revenue Recognition

The Company generates revenue from the sale of franchise licenses under various agreements. This initial franchise fee is due at signing and is earned based on the recognition of specific performance obligations. The Company also generates revenue from royalty and advertising fees. From time to time the Company can charge various other fees as outlined in the Franchise Disclosure Document. See Note 2, “Revenue from Contracts With Customers” for further information regarding implementation and disclosures.

Cash and Cash Equivalents

For purposes of the financial statements, the Company considers all highly liquid investments purchased with an original maturity of three (3) months or less to be cash equivalents.

Accounts Receivable

Accounts receivable is reported at the amount management expects to collect from outstanding balances. Account balances that are still outstanding after management has used reasonable collection efforts will be written off through a charge to the valuation allowance, and a credit to the allowance account. There is no valuation allowance recorded as of December 31, 2020.

GOFER FRANCHISE SYSTEMS, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventory

Inventory consists of materials and supplies and are valued at the lower of cost (first-in, first-out) or net realizable value. Inventory balance as of December 31, 2020 was:

Paper Cups	<u>\$ 17,880</u>
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Property and Equipment and Depreciation

Property and equipment will be stated at cost. Depreciation will be provided by using the straight-line method over the estimated useful lives of the assets. The useful lives of property and equipment for purposes of computing depreciation will be between five (5) to seven (7) years.

Income Taxes

No provision has been made for federal income taxes since the Company maintains a tax status as a limited liability company, with distributable partnership interests, whereby the income is taxed directly to the members. The same tax status is maintained for state income tax purposes.

The Company's income tax returns are subject to examination by the taxing authorities for a period of up to three years from the date they are filed. As of December 31, 2020, tax year 2019 was open.

Limited Liability Company

Since the Company is a limited liability company, no member, manager, agent, or employee of the Company shall be personally liable for the debts, obligations, or liabilities of the Company, whether arising in contract, tort, or otherwise, or for the acts or omissions of any other member, director, manager, agent, or employee of the Company, unless the individual has signed a specific personal guarantee. The duration of the Company is perpetual.

As a limited liability company, each member's liability is limited to amounts reflected in their respective member equity accounts.

Brand Development Fund

The Company collects funds from franchisees to manage the brand level advertising, marketing, and development programs. The fee is based on weekly sales, payable weekly. The funds are maintained in a separate account.

Advertising and Marketing Costs

Advertising and marketing costs are charged to operations in the year incurred. Total advertising and marketing costs for the year ended December 31, 2020 was \$29,989

GOFER FRANCHISE SYSTEMS, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS

Franchise Fees

The Company recognizes franchise fees in two (2) individual performance obligations. The amount allocated to the initial training program is earned at a point in time when performed. The amount allocated to the franchise license is earned over time as performance obligations are satisfied due to the continuous transfer of control to the franchisee. For the year ended December 31, 2020 revenue earned at a point in time was \$5,000 and revenue earned over time was \$1,584.

Variable Considerations

Franchise agreements contain variable considerations in the form of royalty and advertising fees. These fees are based on franchisee weekly sales and are recorded as revenue and recognized as these services are delivered because the variable payment relates specifically to the performance obligation of using the license.

Contract Assets and Liabilities

Contract assets consist of franchise contract costs paid to facilitate a franchise sale and are amortized over the life of the franchise agreements. Contract assets are a result of any payments made at the time of the signing of the franchise agreement and will fluctuate each year based on the number of franchise agreements signed. Contract assets on December 31, 2020 was \$9,833. Total cost recognized in 2020 was \$167.

Contract liabilities consist of the remaining initial franchise fees to be amortized over the life of the franchise agreements. Contract liabilities are a result of the collection of the initial franchise fee at the time of the signing of the franchise agreement and will fluctuate each year based on the number of franchise agreements signed.

Remaining Performance Obligations

The remaining performance obligations consist of initial franchise fees for all executed franchise agreements and are reported as contract liabilities - franchise fees, on the balance sheet. Estimated revenue expected to be recognized in the next one (1) to (5) years related to performance obligations that are either unsatisfied or partially satisfied at December 31, 2020 as contract liabilities is \$30,916.

The estimated revenue does not contemplate future franchise renewals or new franchise agreements which do not exist as of December 31, 2020.

NOTE 3 MEMBERS' EQUITY

The following is a summary of the value of the members' units outstanding as of December 31, 2020:

Units	December 31, 2019	Contributions	Distributions	Net Income	December 31, 2020
Class A	\$ 3,905	\$ 6,307	\$ (19,500)	\$ 19,132	\$ 9,844
Class B	2,103	3,396	(10,500)	10,302	5,301
	<u>\$ 6,008</u>	<u>\$ 9,703</u>	<u>\$ (30,000)</u>	<u>\$ 29,434</u>	<u>\$ 15,145</u>

The aggregate number of Units that may be issued by the Company is one million (1,000,000) (the "Authorized Units"). Of the Authorized Units, 800,000 are designated as Class A voting units and 200,000 are designated as Class B non-voting units. As of December 31, 2020, 200,980 Class A voting units have been issued and 108,220 Class B non-voting units have been issued.

GOFER FRANCHISE SYSTEMS, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 RELATED PARTY TRANSACTIONS

The Company receives royalties from Gofer Ice Cream, LLC, an entity with common ownership. Total royalties received amounted to \$44,546 in 2020.

NOTE 5 SUBSEQUENT EVENTS

The Company has evaluated events or transactions that have occurred after December 31, 2020 (the financial statement date) through April 13, 2021, the date that the financial statements were available to be issued. During this period, the Company did not have any material recognizable subsequent events that would require adjustment to, or disclosures in the financial statements, except as noted below.

Due to the current global pandemic, the Company and businesses in general are being affected throughout the country. The Company's royalty streams have been continuing. Management has made cuts to operating expenses and does not anticipate any issues with continuing operations. Members of the Company have financial resources available should the Company need cash flow to support the growth of the franchise business.

GOFER FRANCHISE SYSTEMS, LLC

FINANCIAL STATEMENTS

PERIOD FROM INCEPTION (JULY 29, 2019) TO DECEMBER 31, 2019

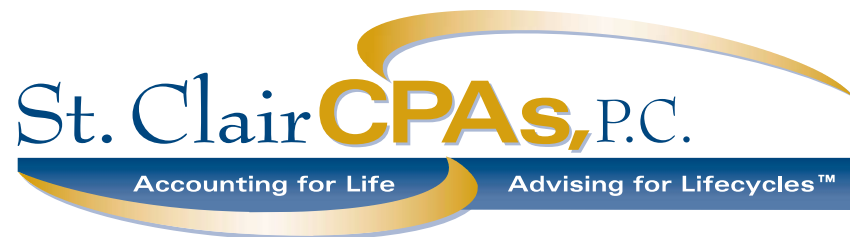
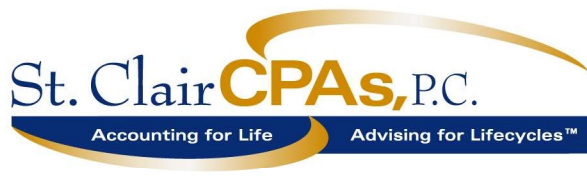


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INDEPENDENT AUDITORS' REPORT

To the Members and Management
Gofer Franchise Systems, LLC
Stamford, Connecticut

We have audited the accompanying financial statements of Gofer Franchise Systems, LLC (a Connecticut Limited Liability Company) which comprise the balance sheet as of December 31, 2019, and the related statements of operations, changes in members' equity, and cash flows for the period from inception (July 29, 2019) to December 31, 2019, and the related notes to the financial statements.

Management's Responsibility for the Financial Statement

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the financial position of Gofer Franchise Systems, LLC as of December 31, 2019, and the results of its operations and its cash flows for the period from inception (July 29, 2019) to December 31, 2019, in accordance with accounting principles generally accepted in the United States of America.

St. Clair CPAs, P.C.

Certified Public Accountants

Merchantville, New Jersey
March 9, 2020

GOFER FRANCHISE SYSTEMS, LLC
BALANCE SHEET
DECEMBER 31, 2019

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 7,178
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TOTAL CURRENT ASSETS	\$ 7,178
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LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES

Credit card payable	\$ 1,170
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TOTAL CURRENT LIABILITIES	1,170
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MEMBERS' EQUITY

Members' equity	6,008
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TOTAL MEMBERS' EQUITY	6,008
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TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 7,178
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See accompanying notes.

GOFER FRANCHISE SYSTEMS, LLC
STATEMENT OF OPERATIONS
FOR THE PERIOD FROM INCEPTION (JULY 29, 2019) THROUGH DECEMBER 31, 2019

REVENUES	\$ <u>-</u>
OPERATING EXPENSES	
Advertising & marketing	3,125
Bank charge fees	182
Franchise expenses	450
Office supplies and software	356
Professional fees	20,190
Travel	<u>609</u>
TOTAL OPERATING EXPENSES	<u>24,912</u>
NET LOSS	<u><u>\$ (24,912)</u></u>

See accompanying notes.

GOFER FRANCHISE SYSTEMS, LLC
STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE PERIOD FROM INCEPTION (JULY 29, 2019) THROUGH DECEMBER 31, 2019

MEMBERS' EQUITY

Members' equity beginning	\$ -
Members' contributions	30,920
Members' distributions	-
Net loss	<u>(24,912)</u>
TOTAL MEMBERS' EQUITY	<u>\$ 6,008</u>

See accompanying notes.

GOFER FRANCHISE SYSTEMS, LLC
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM INCEPTION (JULY 29, 2019) THROUGH DECEMBER 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES

Net loss	\$ (24,912)
Adjustments to reconcile net loss to net cash used by operating activities	
Increase (decrease) in Credit card payable	<u>1,170</u>
NET CASH USED BY OPERATING ACTIVITIES	<u>(23,742)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from members' contributions	<u>30,920</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>30,920</u>

NET INCREASE IN CASH 7,178

CASH AND CASH EQUIVALENTS, BEGINNING -

CASH AND CASH EQUIVALENTS, ENDING \$ 7,178

See accompanying notes.

GOFER FRANCHISE SYSTEMS, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Gofer Franchise Systems, LLC (the Company) was formed on July 15, 2019 to offer and sell franchises for the right to operate a “Gofer Ice Cream Shop”. The Company grants franchisees the right to operate a business offering proprietary “Gofer Ice Cream” brand soft-serve and hard ice cream (“Proprietary Products”), together with associated novelties (the “Other Products”) under the “Gofer Ice Cream Marks”, using their distinctive operating procedures and standards in a limited protected territory and from a single location (a “Gofer Ice Cream Shop”). The distinguishing characteristics of a Gofer Ice Cream Shop include, but are not limited to, the Gofer Ice Cream distinctive trade dress, proprietary products, operations methods, inventory, procedures for management, training, advertising, and promotional programs.

The Company commenced operations on July 29, 2019. The Company does not own or operate any business of this type being franchised. As of December 31, 2019, there was no signed franchise sales agreements.

Basis of Accounting and Use of Estimates

The financial statements are presented on the accrual basis of accounting. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Concentration of Credit Risk- Cash

The Company maintains cash balances at financial institutions, which at various times during the year may exceed the threshold for insurance provided by the Federal Deposit Insurance Corporation (FDIC). The Company believes it is not exposed to any significant credit risk on its cash.

Revenue Recognition

The Company generates revenue from the sale of franchise licenses under various agreements. This initial franchise fee is due at signing and is earned based on the recognition of specific performance obligations. The Company also generates revenue from royalty and advertising fees. From time to time the Company can charge various other fees as outlined in the Franchise Disclosure Document. See Note 2, “Revenue from Contracts With Customers” for further information regarding implementation and disclosures.

Cash and Cash Equivalents

For purposes of the financial statements, the Company considers all highly liquid investments purchased with an original maturity of three (3) months or less to be cash equivalents.

Accounts Receivable

Accounts receivable will be reported at the amount management expects to collect from outstanding balances. Account balances that are still outstanding after management has used reasonable collection efforts will be written off through a charge to the valuation allowance, and a credit to the allowance account. There is no valuation allowance recorded as of December 31, 2019.

GOFER FRANCHISE SYSTEMS, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment and Depreciation

Property and equipment will be stated at cost. Depreciation will be provided by using the straight-line method over the estimated useful lives of the assets. The useful lives of property and equipment for purposes of computing depreciation will be between five (5) to seven (7) years.

Income Taxes

No provision has been made for federal income taxes since the Company maintains a tax status as a limited liability company, with distributable partnership interests, whereby the income is taxed directly to the members. The same tax status is maintained for state income tax purposes. There are no tax periods open for examination, as this is their initial year of operations.

Limited Liability Company

Since the Company is a limited liability company, no member, manager, agent, or employee of the Company shall be personally liable for the debts, obligations, or liabilities of the Company, whether arising in contract, tort, or otherwise, or for the acts or omissions of any other member, director, manager, agent, or employee of the Company, unless the individual has signed a specific personal guarantee. The duration of the Company is perpetual.

As a limited liability company, each member's liability is limited to amounts reflected in their respective member equity accounts.

Brand Development Fund

The Company will collect funds from franchisees to manage the brand level advertising, marketing, and development programs. The fee is based on weekly sales, payable weekly. The funds will be maintained in a separate account.

Advertising and Marketing Costs

Advertising and marketing costs are charged to operations in the year incurred. Total advertising and marketing costs for the period from inception (July 29, 2019) through December 31, 2019 was \$ 3,125.

NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS

Franchise Fees

The Company recognizes franchise fees in two (2) parts. The amount allocated to the initial training program is earned at a point in time when performed. The amount allocated to the franchise license is earned over time as performance obligations are satisfied due to the continuous transfer of control to the franchisee.

Variable Considerations

Franchise agreements contain variable considerations in the form of royalty and advertising fees. These fees are based on franchisee weekly sales and are recorded as revenue and recognized as these services are delivered because the variable payment relates specifically to the performance obligation of using the license.

GOFER FRANCHISE SYSTEMS, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

Contract Assets and Liabilities

Contract assets will consist of franchise contract costs paid to facilitate a franchise sale and will be amortized over the life of the franchise agreements. Contract assets will be a result of any payments made at the time of the signing of the franchise agreement and will fluctuate each year based on the number of franchise agreements signed.

Contract liabilities will consist of the remaining initial franchise fees to be amortized over the life of the franchise agreements. Contract liabilities are a result of the collection of the initial franchise fee at the time of the signing of the franchise agreement and will fluctuate each year based on the number of franchise agreements signed.

As of December 31, 2019 there were no contract assets and liabilities from contracts with franchisees.

Remaining Performance Obligations

The remaining performance obligations will consist of initial franchise fees for all executed franchise agreements and will be reported as contract liabilities - franchise fees, on the balance sheet. There is no revenue expected to be recognized in the future related to performance obligations that are either unsatisfied or partially satisfied at December 31, 2019.

NOTE 3 MEMBERS' EQUITY

The following is a summary of the value of the members' units outstanding as of December 31, 2019:

Units	December 31, 2018	Contributions	Net loss	December 31, 2019
Class A	\$ -	\$ 20,098	\$ (16,193)	\$ 3,905
Class B	-	10,822	(8,719)	2,103
	<u>\$ -</u>	<u>\$ 30,920</u>	<u>\$ (24,912)</u>	<u>\$ 6,008</u>

The aggregate number of Units that may be issued by the Company is one million (1,000,000) (the "Authorized Units"). Of the Authorized Units, 800,000 are designated as Class A voting units and 200,000 are designated as Class B non-voting units. As of December 31, 2019, 200,980 Class A voting units have been issued and 108,220 Class B non-voting units have been issued.

NOTE 4 COMMITMENTS

The Company will enter into various agreements for marketing, advertising, and franchise brokers. These agreements will have various terms ranging from month-to-month to five-year terms. All payments made for these services will be charged to expense in the year costs are incurred.

NOTE 5 SUBSEQUENT EVENTS

The Company has evaluated events or transactions that have occurred after December 31, 2019 (the financial statement date) through March 9, 2020, the date that the financial statements were available to be issued. During this period, the Company did not have any material recognizable subsequent events that would require adjustment to, or disclosure in the financial statements.

EXHIBIT F TO THE DISCLOSURE DOCUMENT

OPERATING MANUAL **TABLE OF CONTENTS**

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	b. Welcome Letter	
2.	The Gofer Network	1 page
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	b. How to use the Network	
3.	Store Set up	12 pages
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	b. Typical Store Layout	
	c. Approved Supplier Contact Information	
	d. Equipment Summary	
	e. Store Equipment Checklist	
	f. Insurance and Other Licenses	
4.	Human Resources Management	50 pages
	a. Introduction	
	b. Human Resource Management System	
	c. Employee Manual	
5.	Inventory Management	2 pages
	a. Supply Chain	
	b. Customize your Inventory Management System	
	c. Sample Inventory Book Template	
6.	Product Instructions	10 pages
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	b. Recipe Database – Step by Step Guide to Making Products	
	c. Recipe Book – Download location	
	d. Video Podcast – Download location	
7.	Financial and Accounting Management	10 pages
	a. Credit Card and Other Recommendations	
	b. Cash Draw and Change System	
	c. Daily Report Spreadsheet	
	d. Annual Revenue Report Spreadsheet	
	e. Accounting System Recommendations	
	f. Sales Tax Reporting	
	g. Payroll System	
	h. Monthly Franchisee Report Instructions	
8.	Opening for Business Marketing	3 pages
	a. Grand Opening	
	b. Guide to local advertising	
	c. Guide to local Public Relations	

EXHIBIT G TO THE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA

EXHIBIT G

GOFER FRANCHISE SYSTEMS, LLC DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled **"Requirements for franchisee to renew or extend,"** and Item 17(m), entitled **"Conditions for franchisor approval of transfer":**

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this

proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “**Termination by franchisee**”:

You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled “**Choice of forum**”, and Item 17(w), titled “**Choice of law**”:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

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, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Not Registered
Hawaii	Not Registered
Illinois	Not Registered
Indiana	Not Registered
Maryland	Not Registered
Michigan	Not Registered
Minnesota	Not Registered
New York	Pending
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Virginia	Not Registered
Washington	Not Registered
Wisconsin	Not Registered

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT H

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 Gofer Franchise Systems, 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 Gofer Franchise Systems, 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:

John Jay Ragusa 869 High Ridge Road Stamford, CT 06905 203-559-9202		
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Issuance Date: **March 22, 2022**

I received a Disclosure Document dated _____, that included the following Exhibits:

- EXHIBIT A: List of State Franchise Administrators and Agents for Service of Process
- EXHIBIT B: Franchise Agreement with Exhibits A, B, C, D, E, F, and G
- EXHIBIT C: Area Development Agreement
- EXHIBIT D: Outlets as of the date of this Disclosure Document
- EXHIBIT E: Financial Statements of Gofer Franchise Systems, LLC
- EXHIBIT F: Operating Manual Table of Contents
- EXHIBIT G: State Specific Addenda
- EXHIBIT H: Receipt

Date Received: _____
(If other than date signed)

DATE: _____

Print Name: _____

Print Address: _____

City, State: _____

(Signature of recipient)

Please return signed receipt to Gofer Franchise Systems, LLC
869 High Ridge Road
Stamford, CT 06905

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Date Received: _____
(If other than date signed)

DATE: _____

Print Name: _____

Print Address: _____

City, State: _____

(Signature of recipient)

KEEP FOR YOUR RECORDS