FRANCHISE DISCLOSURE DOCUMENT

FAVOR 46, INC.
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La Mirada, CA 90638
hi@goobnechicken.com
www.goobnechicken.com

The franchise offered is for a quick-service casual restaurant operating under the name "Goobne" and "Goobne Chicken" which specializes in the sale of proprietary oven-roasted chicken with signature spices and sauces as well as other wide-ranging Korean traditional food items for dine-in, take-out and online ordering.

The total investment necessary to begin operation of a single Goobne Chicken Restaurant ranges from $300,000.00 to $566,000.00 (excluding any costs and/or fees connected with your delayed opening), including a $35,000.00 initial franchise fee that must be paid to the franchisor.

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 fourteen (14) calendar days before you sign a binding agreement with or make any payment to the franchisor 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 documents in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Kisoo Lee at 14808 Beach Blvd., La Mirada, CA 90638 and (714) 476-4136.

The terms of your franchise 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.

Issuance Date: March 1, 2023

How to Use This Franchise Disclosure Document

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

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

What You Need to Know About Franchising Generally

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About This Franchise

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

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

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

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<u>FRANCHISE DISCLOSURE DOCUMENT</u>

To simplify the languages of this Franchise Disclosure Document:

> "**we**" or "**us**" or "**our**" means **Favor 46, Inc.**, a California corporation, the Franchisor.
>
> "**You**" or "**Your**" means the person or business entity, including its owners, who buys the franchise.
>
> If you are a corporation, a partnership or a limited liability company, certain provisions of this disclosure document also apply to your owners and will be noted.

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

We, the Franchisor, are named Favor 46, Inc., a California corporation duly incorporated on or about March 16, 2021. Favor 46, Inc. has its corporate office at 14808 Beach Blvd., La Mirada, CA 90638. Favor 46, Inc.'s authorized agent for service of process is Ki Soo Lee who resides at 14808 Beach Blvd., La Mirada, CA 90638. We conduct business under the fictitious names of Goobne and Goobne Chicken in English as well as in the Korean language. We are currently building two (2) franchisor-owned restaurants in the cities of Torrance, California and Fullerton, California. Their anticipated opening dates are in the third (3rd) quarter of 2022.

We are a master franchisee of GN Food Co., Ltd., a South Korea corporation ("Master Franchisor") for the west coast region of the United States limited to the Counties of Los Angeles and Orange in the State of California. GN Food Co., Ltd. is a long-established franchisor based in South Korea which has over 1,100 franchised restaurants in several countries including Hong Kong, Macau, Japan, China, Malaysia, Vietnam, Australia, Singapore, Indonesia and South Korea. The Master Franchisor has granted to us the right to operate, and sub-license to franchisees, the Goobne business format and system (the "System" or the "Goobne System") relating to the establishment and operation of Goobne Restaurants. Our affiliate, Humming Global Corp, a California corporation formed on or about February 22, 2022, is the approved supplier for certain sauces, spices and other items that you must purchase for your Franchised Restaurant. Humming Global Corp. has never owned or operated a business of the type being franchised. Humming

Global Corp. has never offered or intends to offer any franchises, nor has it offered franchises in any other line of business.

Our Master Franchisor solely owns the Proprietary Marks further described hereinbelow and, has licensed them to us through a Master Franchise Agreement so that we may sublicense them to our franchisees. See Item 13 for more details.

In this disclosure, we are offering the opportunity to become a franchisee to develop and operate Goobne Chicken Restaurant(s). Goobne Chicken derives its name from the way its chicken dishes are prepared. Goobne literally translates to "roast" or an act of "roasting" in the Korean language. Goonbe Chicken Restaurants are fast casual restaurants featuring chicken dishes that are marinated and infused with traditional Korean herbs and ingredients, served with numerous signature sauces. Goobne Chicken also offers other signature Korean side dishes and food items that complement and/or supplement its primary chicken dishes, including but is not limited to baked potato dishes, dessert items and an array of Korean beverages.

Goobne Chicken Restaurants operate according to a unique format and appearance and distinguishing operating procedures. We identify the System by means of the "Goobne" and/or "Goobne Chicken" name and mark and certain other names, marks, logos, insignias, slogans, emblems, symbols and designs (collectively, "Proprietary Marks") that we have designated, been licensed to use, or may in the future designate, for use with the System.

Goobne Chicken Restaurants have a standard image, color scheme and interior design and layout, which includes unique architectural features, although each restaurant is tailored to meet local needs based on the size of the restaurant and landlord restrictions, which may be unique to the particular location. Goobne Chicken will generally be located in urban and highly populated suburban areas, preferably in close proximity to densely populated residential and commercial areas.

We have duly described our mandatory standards and procedures in a confidential Operations Manual ("Manual"). We will lend you one (1) copy of the Manual during the term of your franchise. We are at liberty to amend, change and/or modify any and all of the terms contained in the Manual without prior consent or notice to the franchisees.

When you are evaluating whether to purchase a Goobne Chicken franchise, you will be privy to proprietary and confidential information regarding the System. You must acknowledge and sign a Confidentiality Agreement, which is attached as Exhibit E, before we will provide you with access to this information.

You can purchase a franchise to develop and operate one (1) Goobne Chicken franchise restaurant ("Franchised Restaurant") at a location explicitly approved by us ("Franchised Location") by signing a Franchise Agreement ("Exhibit D") and paying the Application Fee and the Initial Franchise Fee, more fully described in Item 5. You may not acquire any interest in a location for the Franchised Restaurant until you have been approved as a franchisee and we have approved the location in writing. When we approve your application to become a Goobne Chicken Restaurant franchisee, and prior to our preparation of your Franchise Agreement, you will sign the Agreement Request Form attached as Exhibit C and pay the Deposit Fee described in Item 5.

Your receipt of this disclosure document does not necessarily imply that you will be approved as a franchisee to open a Franchised Restaurant. Before you may open a Franchised Restaurant, we must approve you as a franchisee, you and we must sign the Franchise Agreement and other ancillary documents that are attached therein, we must approve the location of your proposed Franchised Restaurant, and you must complete our initial training program.

We believe the market for fast casual restaurants is either "developed" or "developing," depending on the specific geographic area. Your customers generally will be private individuals and businesses. You will compete with other local and national fast, casual, quick service, and take-out food service restaurants serving various chicken-based menu items in the \$10.00 to \$30.00 price range for lunch and dinner. Many of our present and future competitors have a substantially greater number of restaurants, resources and brand recognition than our franchise. You may be in direct competition with other fast, casual restaurants serving similar types of menu items, including fried, marinated, oven-roasted chicken and other chicken-based menu items.

We are unaware of any laws or regulations applicable to a Goobne Chicken Restaurant that would not apply to restaurant businesses, generally. You must comply with all applicable local, state, and federal laws and regulations including, health, sanitation, food handling, food preparation, menu labeling, waste disposal, smoking restrictions, alcoholic beverage restrictions, discrimination, labor, employment and advertising laws. Some laws require point of sale disclosures, including statements concerning nutritional and dietary characteristics of the food served at your franchised restaurant. There are other laws and regulations applicable to businesses generally with which you must comply. You should consult your attorney concerning these and other laws and ordinances that may affect the operations of your Franchised Restaurant. You must also obtain all applicable operational and construction permits and/or licenses.

Favor 46, Inc. has no Parent corporation or other business entity, no predecessor and no affiliate.

Item 2: Business Experience

<u>President: Ki Soo Lee</u>
President, Favor 46, Inc. (April 1, 2021 to Present)
14808 Beach Blvd., La Mirada, CA 90638

Mr. Lee has served as Favor 46, Inc.'s Chief Executive Officer and Chairman of the Board since the inception of the company. Mr. Lee has vast experience in the restaurant industry and has served as the Chief Executive Officer for Jawsfood USA, Inc. from April 2019 through March 2021 and as the Chief Executive Officer for CJ Foodville USA from November 2012 through December 2017. Mr. Lee received an M.B.A. degree from Kyunghee University in Korea prior to serving in his management role at CJ Foodville USA.

Item 3: Litigation

Neither Favor, 46, Inc. nor any person identified in Item 2 above of this Franchise Disclosure Document is subject to any litigation or currently effective order of any National Securities Association or National Securities Exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A., 78a et seq., suspending or expelling these persons from membership in this Association or Exchange.

Item 4: Bankruptcy

No person previously identified in Items 1 or 2 of this Franchise Disclosure Document has been involved as a debtor in proceedings under the United States Bankruptcy Code and has filed any foreign bankruptcies.

Item 5: Initial Fees

When you sign the Franchise Agreement, you shall pay an initial Franchise Fee in the amount of $35,000 to use the Goobne System and the Proprietary Marks during the term of the Franchise Agreement. The initial Franchise Fees are wholly earned by us when paid and are non-refundable.

When we approve your application to become a Goobne Chicken Restaurant franchisee and prior to our preparation of your Franchise Agreement, you will sign the Agreement Request Form attached as Exhibit C and pay us a Deposit Fee in the amount of $1,000.00. You may be asked to provide additional financial and non-financial information as part of the application process. The Deposit Fee is non-refundable, but will be credited against the Initial Franchise Fee under the Franchise Agreement if the franchise application is ultimately approved by us.

Item 6: Other Fees

OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Royalty	4.5% of Gross Sales	Within 3 days after the end of each week	See Note 3 for the definition of Gross Sales. All royalty and other fees are paid by electronic fund transfer
Marketing Fee	1.5% of Gross Sales (subject to increase up to 2.5% of the Gross Sales)	Within 3 days after the end of each week	Marketing Fee may be increased without notice, but it will not exceed 2.5% of Gross Sales at any point in time. We have sole control and discretion to allocate the Marketing Fee among the various advertisement channels without your approval. The administration of the Marketing Fee is further described in Item 11.
Additional Training	$100.00 per hour exclusive of the travel fees and incidental costs.	Within 3 days of receipt of invoice.	This is a rate that only applies for discretionary training. You agree to pay for any incidental cost such as travel and food in addition to the specified hourly rate for additional training.
Audit & Inspection Cost	Direct cost involved during audit and inspection plus any deficiency in royalty and marketing fees.	Within 3 days of receipt of invoice.	The audit and/or inspection fee is generally triggered when you fail to timely submit sales reports and any other supporting documents if and when we discover understatement of your Gross Sales figures.
Collection Cost & Expenses	Cost and expenses associated with collection	On demand, if required	These are generally court costs, fees, attorney's fees and fees paid to and/or shared with a collection agency.
Costs & Attorney's Fees	Our costs and expenses		The prevailing party in case of litigation shall recover reasonable attorney's fees and recoverable litigation costs.
Indemnification	Our and our affiliates' losses and expenses	As incurred	You shall hold us harmless in all actions arising out of and/or relating to the operation of your Franchise.

Name of Fee	Amount	Due Date	Remarks
Interest	Accrued interest on any past due amount until paid	As incurred	The applicable interest rate is the maximum rate permitted in the State of California. See Note 2.
New Product and Supplier Testing	Actual cost of testing and inspection	As incurred	For testing of new product and/or supplier, you must pay our direct costs and expenses. See Item 8.
Reimbursement of Insurance Cost	Actual cost of procuring coverage	As incurred	Your failure to procure a required liability insurance policy is a material breach. We reserve the right to procure a policy of our choice that complies with the insurance requirement and demand a full reimbursement from you.
Relocation	Actual costs and expenses incurred by us plus royalty and marketing fee that are calculated by taking average fees for the past three months of relocation during the period in which the Franchised Restaurant is not in operation	On demand, if required	You are not allowed to relocate the Franchised Restaurant without our prior written approval.
Renewal Fee	$20,000	At the time of the renewal franchise agreement	The renewal fee does not include any fees and costs to be incurred for remodeling which may be a condition to the renewal.
Taxes	Our expenses	Within 3 days of receipt of invoice	Any taxes, fees or assessments imposed on us by the various governmental entities for acting as your franchisor.
Transfer	$10,000	Prior to the date of transfer	Any transfer request will be treated as a new franchise application and not all transfer requests are approved.

Name of Fee	Amount	Due Date	Remarks
Website Fee	$0 - $1,000	As incurred	This fee is currently not applicable but we reserve our right to assess this fee for creating, reviewing and/or approving your website and/or for hosting the website if necessary.

NOTES

(1) All royalty and other fees due and owing to us under the Franchise Agreement must be received by the end of each fiscal week unless instructed otherwise by us.

(2) Unless otherwise specified herein, all fees are due and payable regardless of whether there is a demand or not and they are non-refundable. Further, you authorize us to draft royalty and other funds from your predesignated bank account through an electronic funds transfer agreement. You must designate a business bank account at a national or state-chartered bank and furnish us all necessary authorizations to make regular withdrawals by electronic fund transfer including executing an ACH Authorization Form attached to the Franchise Agreement. Generally, all fees are uniformly assessed to all of our franchisees, however, in limited circumstances, a temporary reduction and/or waiver can be made to a particular franchisee. This is at the sole discretion of Franchisor and notice to you nor a consent is needed from the franchisees.

(3) Gross Sales are comprised with all revenue from the sale of all menu items and all other income of every kind and nature related to the Franchised Restaurant whether for check, cash or credit and regardless of collection in the case of credit, monies or credit received from the sale of food, beverages and merchandise, from tangible property of every kind and nature, promotional or otherwise, and for services performed from or at the Franchised Restaurant, including, but not limited to, such off-premises services as catering and delivery. Gross Sales excludes sales taxes collected from customers.

Item 7: Estimated Initial Investment

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount (1)	Method of Payment: (2)	When Due:	Paid to Whom:
Initial Franchise Fee (3)	$35,000	Lump sum	See Item 5	Goobne Chicken
Application Fee (3)	$1,000	Lump sum	See Item 5	Goobne Chicken

Type of Expenditure	Amount (1)	Method of Payment (2)	When Due:	Paid to Whom:
Grand Opening Advertisement (4)	$8,000	Progress payments	As incurred	Vendor
Leasehold Costs and Location Improvements (5)	$180,000 - $370,000	Progress payments	As incurred	
Furnishing, Fixtures and Equipment (6)	$50,000 - $80,000	As arranged	As incurred	Vendor
Signage (7)	$6,000 - $20,000	As arranged	As incurred	Vendor
POS Systems (8)	$4,000 - $10,000	As arranged	As incurred	Vendor
Art & Décor Items (9)	$1,000 - $3,000	As arranged	As incurred	Vendor
Professional Fee (10)	$3,000 - $5,000	Before Opening	As incurred	Attorney, accountant, and other business advisors
Pre-Opening Costs (11)	$2,000 - $4,000	As arranged	As incurred	Vendor
Additional Funds – 3 months (12)	$10,000 - $30,000	As arranged	As incurred	Vendor
TOTAL ESTIMATED INITIAL INVESTMENT (13)	$300.000- $566,000	(Estimate does not include the cost to obtain an alcoholic beverage license which you may choose to incur)		

NOTES

(1) Franchised Restaurants. Goobne Chicken Restaurants may be developed as non-end cap, end cap or freestanding locations. The figures in the above table reflect the estimated initial investment for a Goobne Chicken Restaurant located at a non-end cap or end cap location based on our experience in developing restaurants. The improvement costs involved with a free-standing or stand-alone Goobne Chicken Restaurant is likely to be much higher than the cost specified in Item 7.

(2) Payment Method. Payments made to Goobne Chicken are not refundable. All other fees are also non-refundable. Whether any payments made to third parties are refundable will vary based on the practice in the area where your Franchised Restaurant is located and the governing law.

(3) Initial Franchise & Application Fees. The amount and timing of the Initial Franchise and Application Fee are detailed in Item 5.

(4) Grand Opening Advertisement. Your grand opening marketing obligations are specified in Item 11.

(5) Leasehold Costs and Location Improvements. We expect that you will lease the location for the Franchised Restaurant, which will typically be in a strip mall or shopping center and will vary in size from 400 to 2,000 square feet. We cannot estimate the lease payments that you will make to third party commercial landlords since these payments will differ greatly. The lease payments differ considerably depending on several factors, i.e., location, size, condition of premises, tenant improvement allowances, market condition and other contractual terms of the bargain. Any commercial lease agreement that you sign for the Franchised location must contain the provisions set forth in the Franchise Agreement and the Addendum to Lease form attached as Exhibit F to this Franchise Disclosure Document. You may be required to pay a lumpsum initial security deposit. Lease agreements may include, among others, the following additional ancillary expenses: taxes, insurance, common area maintenance, annual common area maintenance reconciliation, fixed rent (with annual incremental increase), percentage rent and other charges related to the operation of the Franchised Restaurant.

The Franchised Restaurant must be constructed and operated in accordance with the System. We estimate that the location improvement costs, including construction permits and governmental fees, will range from a minimum of $500.00 to $900.00 per square foot or more depending upon the condition of the property and local regulatory requirements. You should check with the relevant regulatory agencies to identify costs for any required construction permits, impact fees, taxes, bonds, licenses and other fees, which can vary greatly depending on location, size, condition, market condition, and other factors.

(6) Furnishings, Fixtures and Equipment. The Franchise Agreement and the Manual require you to purchase certain items of furniture, fixtures, equipment.

(7) Signage. The local ordinances govern the type, height and size of the signage.

(8) Point of Sale (POS) System. The point-of-sale system requirements are specified in Item 11.

(9) Art and Decor Items. This estimate includes, among others, graphics, wall treatment, prints and pictures as specified in the Franchise Agreement and Manual.

(10) Professional Fees. These fees are comprised with the estimated costs of retaining an attorney or other business professionals to create a business entity and obtain business permits and licenses in addition to reviewing the Franchise Disclosure Documents and the Exhibits that are attached thereto including a Franchise Agreement.

(11) Pre-Opening Costs. These costs include utility deposits, installation of telephones, data transfer lines, business licenses, uniforms, office and cleaning supplies and other prepaid expenses. It also includes a range of $2,000 to $4,000 for the initial inventory of food and supplies.

(12) Additional Funds. – Three (3) Months. These figures are an estimate of the additional funds that you may require for operating expenses during the initial three (3) months of the opening. They may include employee payroll, food, paper, supplies, utilities, online ordering fees, technology maintenance and support fees, licenses and permits, bank charges and repair, maintenance expenses, insurance and taxes. They do not include royalty or marketing fee payments made to us. Your costs will depend on factors such as: the size of your Franchised Restaurant; how closely you follow our methods and procedures; your management skill, experience and business acumen; financing costs; local economic conditions; the local market for restaurants; the wages you pay; local competition; and the sales level reached during the initial period. These estimates are based upon our experience in developing restaurants.

(13) Total Estimated Initial Investment. You should review and discuss these figures thoroughly with your attorney and/or a business professional prior to making any decision to purchase the franchise. We do not offer any financing directly or indirectly for any part of the initial or other fees.

Item 8: Restriction on Sources of Products and Services

Supplies & Ingredients

We have the right to require that you: (1) purchase food products that will be prepared by Goobne Chicken Restaurants according to our proprietary special recipes and formulas ("proprietary products") only from us or a third party designated and licensed by us to prepare and sell such products ("designated suppliers"); (2) use the proprietary products only in accordance with the Manual and for items sold at the Franchised Restaurant; and (3) purchase from suppliers approved by us ("approved suppliers") ingredients, seasoning, spices, materials, suppliers used in preparation of food items and all other goods. Our affiliate Humming Global Corp. is the designated supplier for our proprietary sauces, spices and other proprietary items that you must purchase for your Goobne Chicken Restaurant. There is no other designated supplier at this time and any addition, if any, will be timely notified to the franchisees. No officer of the Franchisor owns any interest in Humming Global Corp.

Our specifications and standards for Goobne Chicken Restaurants are contained in the Confidential Operating Manual (“Manual”). It contains instructions and specifications for, among others, food preparation methods, recipes and ingredients for all food items and products sold at Goobne Chicken Restaurant. To make sure that the highest degree of quality and service is maintained, you must operate the Franchised Restaurant in strict conformity with the methods, standards and specifications that are prescribed in the Manual. You must stock sufficient and compliant supply of food and beverage items, ingredients, toppings, products, materials, supplies and paper goods. All menu items must be prepared and sold in accordance with the recipes and instructions prescribed in the Manual. You shall not deviate from these standards and specifications and/or make any modifications or additions that are not authorized by us. You also may not use or offer non-conforming food items unless prior written consent is given by us. After you sign the Franchise Agreement, we will furnish you a list of designated and recommended suppliers. We may from time to time modify the list of designated suppliers and/or approved suppliers.

We estimate that the purchase of products that are subject to our standards and specifications represents approximately 70%-80% of your overall purchases in establishing and operating the Franchised Restaurant. We do not provide any type of benefits to our franchisees based on their purchase of particular supplies and ingredients from the approved suppliers. We may earn money or benefit from the suppliers based on your purchases in the form of rebates, commissions, incentives or other payments.

We may negotiate system-wide purchasing arrangements, including pricing and delivery terms with the approved suppliers. None of our officers owns an interest in any of our suppliers.

Substitute Supplier Approval Process

If you propose to purchase any goods or materials from a supplier that we have not previously approved, you must submit a written request, or you must request that the supplier do so. We will notify you within sixty (60) days after receipt of your request as to whether you are authorized to purchase such products from that supplier, and if such authorization is granted, you may contract with the approved supplier. We may periodically require that the testing be performed at your expense to ensure continued compliance with our specifications. Approval of a supplier may be conditioned on requirements relating to the standards of service, including business reputation, length of business history, sanitation standards, facility standards, insurance and other quality assurance requirements, reporting & complaint handling capabilities, or other criteria and such approval may be temporarily granted and/or rescinded pending our further evaluation of the supplier. We may inspect a proposed supplier's facilities during and after the approval process to make sure that the supplier meets our standards. If the proposed supplier does not, we may revoke our approval by notifying the supplier and you in writing. We have no obligation to approve any request for a new supplier, product or service. We may make volume purchases with one or more suppliers to obtain competitive pricing and/or services for Goobne Chicken Restaurants.

We may also approve suppliers or distributors for any ingredients, goods or materials, and we may approve a supplier or distributor only as to certain ingredients, goods or materials. Approval of a supplier or a distributor may be conditioned on frequency of delivery, reporting capabilities, standards of service, including prompt attention to complaints, sanitation standards, facility standards, insurance and other quality assurance requirements, and concentration of purchases and such approval may be rescinded or provided on a temporary basis pending our further evaluation of the supplier.

Insurance Requirements

You must maintain valid insurance during the term of your Franchise Agreement that is necessary or appropriate for liabilities caused by or occurring in connection with the construction or operation of the Franchised Restaurant. We, and any entity with an insurable interest designated by us, shall be an additional insured in all liability policies to the extent each has an insurable interest. We may, without your consent, increase the coverage required and require different or additional types of insurance to reflect changes, among others, in standards of liability and higher damage awards. All insurance policies must be written by an insurance company (or companies) acceptable to us and must comply with our specifications, which we will supply to you in writing. You must submit a certificate and/or proof of insurance to us when you sign the Franchise Agreement and on each policy renewal date thereafter.

The policy requirements are as follows: Comprehensive or Commercial General Liability Insurance, including coverage for bodily injury, personal injury, products liability, contractual liability, broad form property damage, non-owned automobiles, and completed operations and property damage on an occurrence basis with policy limits of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate; All Risks Property Insurance for fire and related peril (including floods and earthquakes where applicable) with limits of insurance of not less than the full replacement value of the Franchised Restaurant, its furniture, fixtures, equipment, inventory and other tangible property; Business Interruption and Extra Expense Insurance, including rental payment continuation for a minimum of 12 months, loss of profits and other extra expenses experienced during the recovery from property loss; Employer's Liability Insurance in the amount of $500,000 per person, $500,000 in the aggregate and $500,000 for occupational disease; Liquor Liability Insurance for bodily injury and property damage on an occurrence basis with policy limits of not less than $1,000,000, to the extent that we have approved the sale of alcoholic beverages at the Franchised Restaurant; Workers' Compensation and such other insurance as may be required by statute or rule of the state or locality in which the Franchised Restaurant is located, including coverage for all of your employees who participate in any of the training programs; Builder's All Risks Insurance in connection with new construction or substantial renovation, refurbishment or remodeling of the Franchised Restaurant; Automobile Liability if you are engaged in any delivery operations with coverage in the amount of $1,000,000 per occurrence on any auto; and Umbrella or Excess Liability Insurance in the amount of $2,000,000 per occurrence and $2,000,000 in the annual aggregate that includes the prior mentioned coverages as underlying policies. You also must maintain performance and completion bonds in forms and amounts, and written by carrier(s), reasonably satisfactory to us.

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Item 9: Franchisee's Obligations

FRANCHISEE’S OBLIGATIONS

THIS TABLE LISTS YOUR PRINCIPAL OBLIGATIONS UNDER THE FRANCHISE AND OTHER AGREEMENTS. IT WILL HELP YOU FIND DETAILED INFORMATION ABOUT YOUR OBLIGATIONS IN THESE AGREEMENTS AND IN OTHER ITEMS OF THIS FRANCHISE DISCLOSURE DOCUMENT.

Principal Obligations Under Your Franchise and Where to Find Them		
Obligation Type, and/or Information	**Section in Franchise Agreement**	**Item Number in Franchise Disclosure Document**
a. Site selection and acquisition/ lease	Section 5.1	Item 11
b. Pre-opening purchases/leases	Section 5.1	Item 11
c. Site development and other pre-opening requirements	Sections 5.2 & 5.3	Item 11
d. Initial and ongoing training	Section 6.3	Item 11
e. Opening	Sections 5.3 & 8.2	Item 11.1
f. Fees	Section 8	Items 5 & 6
g. Compliance with standards and policies/Operating Manual	Sections 6.1 & 6.2	Item 11
h. Trademarks and proprietary information	Section 3	Items 13 & 14
i. Restrictions on products and services offered	Section 7.2	Item 16
j. Warranty and Customer service requirements	Sections 6.7 & 7.2	Item 11

Principal Obligations Under Your Franchise and Where to Find Them		
Obligation Type, and/or Information	**Section in Franchise Agreement**	**Item Number in Franchise Disclosure Document**
k. Territorial development and sales quotas	None	None
l. Ongoing product/service purchases	Sections 6.2, 6.4 & 6.6	Items 8 and 9.1 and text following table
m. Maintenance, appearance and remodeling	Section 7.4	Item 11
n. Insurance	Section 7.10	Items 7 & 9.n and text following table
o. Advertising	Sections 6.5 & 7.5	Items 6 & 11.4
p. Indemnification	Section 13	Item 6
q. Owner's participation / management / staffing	Section 7.1	Items 15 and 9.q and text following table
r. Records/reports	Section 9	None
s. Inspections/audits	Section 6.9 & 9.3	Item 11
t. Transfer	Section 12	Item 17
u. Renewal	Section 4.3	Item 17
v. Post-termination obligations	Section 11	Item 17
w. Non-competition covenants	Section 7.13 & 7.14	Item 17
x. Dispute resolution	Section 15	None
y. Other (Compliance with all Laws)	Sections 7.3, 7.6, 7.10 & 10.2	Item 1

Item 10: Financing

We do not offer direct or indirect financing. We do not provide a guaranty for your commercial lease agreement, promissory note or any other legal obligation you create at the inception nor through the franchise relationship.

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

Except as provided hereinbelow, Franchisor is not required to provide you with any assistance.

<u>Prior To Opening Your Franchise Restaurant</u>

Prior to the opening of your Franchised Restaurant, we shall:

1. Provide a location evaluation as we may deem advisable as part of our evaluation of your request for location approval. (Franchise Agreement, ¶ 6.1(c))

2. Inform you in writing whether we have approved a proposed location within 30 days after we receive your request, a business plan and any additional financial and non-financial information that we may reasonably require from time to time. If we do not respond within 30 days, we will be deemed to have denied approval of the location. (Franchise Agreement, ¶2.1(c))

3. Provide you with plans and specifications for a Goobne Chicken Restaurant, including requirements for interior/exterior layout, signs, décor, color scheme, dimensions, fixtures, furnishings and equipment.

    We may require you to hire the services of a licensed architect and general contractor that have been approved by us. It is your responsibility to have prepared all required construction plans and specifications that match the shape and dimensions of the Franchised Location, and you must ensure that these plans and specifications comply with applicable local building codes and ordinances. You must use only licensed and bonded architects, engineers, professionals and contractors. A notice of approval or disapproval of your construction plans will be sent within 30 days of your submission. (Franchise Agreement, ¶ 5.2).

4. Provide you with a final inspection of the Franchised Restaurant, if we choose to conduct one, and provide you with authorization to open the Franchised Restaurant if you have complied with all conditions. (Franchise Agreement, ¶ 5.2)

5. Loan you a copy of our proprietary Manual, which contains information that is unique, proprietary and material to the System. The Manual is comprised with mandatory specifications and standards relating to the construction, management and operation of Goobne Chicken Restaurants. We may amend, supplement and/or modify the contents of the Manual, and you agree

to comply with each new or changed provisions. (Franchise Agreement, §6.1). The Table of Contents of the Manual as of the date of this disclosure document is attached as Exhibit G. As of that date, the Manual contained a total of 122 pages. The Manual is our property and you shall return it to us when the franchise relationship terminates.

6. Provide you with advice with regard to the construction and operation of the Franchised Restaurant, building layout, furnishings, fixtures and equipment, plans and specifications, selection and training, purchasing and inventory control and such other matters as we consider suitable. (Franchise Agreement, ¶ 5.2)

7. Provide an initial manager training program to you. The details of the initial manager training program are described later in this Item 11. (Franchise Agreement, ¶6.1)

8. Set the retail pricing policies for menu items and products sold at Goobne Chicken Restaurants. (Franchise Agreement, ¶7.2(b))

After Opening Your Franchise Restaurant

During the term of our franchise relationship, we will:

1. Administer and expend marketing fees to brand and advertise Proprietary Marks and Goobne Chicken Restaurants. (Franchise Agreement, ¶7.5)

2. Immediately inform you of any modifications made to the Manual, the menu, including menu items and menu formats, product packaging, the required equipment, the signage, the building and premises of the Franchised Restaurant, the presentation of the Proprietary Marks, the adoption of new administrative forms and means of reporting and payment of any monies owed to us and the adoption and use of new or modified Proprietary Marks or copyrighted materials. (Franchise Agreement, ¶3.2)

3. Provide any needed additional training to you and any other employees that you designate. We reserve the right to require you to pay a training fee for these additional training programs. (Franchise Agreement, ¶6.3)

4. Provide to you, as we deem appropriate, our knowledge regarding the System and pertinent new techniques and improvements in the areas of restaurant design, management, food and beverage preparation, sales promotion, service concepts. (Franchise Agreement, ¶6.1(d))

5. Conduct inspections of the Franchised Restaurant and valuations of the products sold and services rendered as we deem appropriate. (Franchise Agreement, ¶6.6)

6. Provide a list of approved suppliers of proprietary products, goods, food products, ingredients, spices, seasonings, mixes, beverages, materials and supplies used in the preparation of products, as well as advertising materials, furniture, fixtures, equipment, menus, menu boards, forms, paper and plastic products, packaging or other materials that meet the standards and specifications that we circulate from time to time. (Franchise Agreement, ¶6.2)

Advertising

Monthly Marketing Obligation

During the term of the Franchise Agreement, your Marketing Fee will not exceed 2.5% of the Gross Sales of the Franchised Restaurant. We may allocate the Marketing Fee at our discretion between various local and regional advertisement.

Administration of the Marketing Funds

We shall direct all advertising, marketing, and public relations programs and activities financed by the Marketing Fee with sole discretion over the creative concepts, materials and endorsements used in those programs and activities and the geographic, market and media placement and allocation of advertising and marketing materials.

Unless we otherwise agree in writing, advertising that is funded by the Marketing Fee must conform to those advertising and sales promotions that we specify from time to time. We have the right to terminate (and subsequently restart) any of them. We will not use any of the advertising funds for advertising that is principally a solicitation for the sale of franchises. We have not established an advertising cooperative or an advisory council of franchisees to provide input on advertising matters, but we reserve the right to do so in the future.

We will separately account for all of the Marketing Fee that we administer; however, we are not required to segregate any of the funds from our other monies. None of the funds shall be used to defray any of our general operating expenses. We may spend in any fiscal year an amount greater or less than the aggregate contribution of all Goobne Chicken Restaurants to the Marketing Fee fund during the year or cause each fund to invest any surplus for future use by the fund. We will prepare an unaudited report of the operations of the Marketing Fund annually, which will be available to you upon written request. Company-owned Restaurants contribute to the Marketing Fee funds an amount equivalent to that contributed by comparable franchised Goobne Chicken Restaurants. In spending advertising funds, we are not obligated to make expenditures for any franchisee that are equivalent or proportionate to that franchisee's contribution or to ensure that any particular franchisee benefits directly or on a pro rata basis from expenditure of the funds. We are not required to spend any amount on advertising in the area where your Franchised Restaurant is located.

Restriction on World Wide Website Advertisement

Franchisee shall not maintain a World Wide Website or otherwise maintain a presence or advertise on the Internet or any other public computer network in connection with the Goobne Chicken Restaurant without Franchisor’s prior written consent, which Franchisor may withhold for any cause or for no cause. Franchisee will submit to Franchisor for approval before use, true and correct printouts of all Website pages Franchisee proposes to use in Franchisee’s Website in connection with the Restaurant. Franchisee understands and agrees that Franchisor’s right of approval of all such Website materials is necessitated by the fact that such Website materials will include and be inextricably linked with Franchisor’s Marks. Franchisee may only use material which Franchisor has approved. Franchisee's Website shall conform to all of Franchisor's Website requirements, whether set forth in the Confidential Operations Manuals or otherwise. Franchisee agrees to provide all hyperlinks or other links that Franchisor requires. If Franchisor grants approval for a Website, Franchisee may not use any of the Marks at the site except as Franchisor expressly permits. Franchisee may not post any of Franchisor's proprietary, confidential or copyrighted material or information on Franchisee's Website without Franchisor's prior written consent. If Franchisee wishes to modify the approved site, all proposed modifications must also receive Franchisor's prior written approval. Franchisee explicitly understands that Franchisee may not post on Franchisee's Website any material which any third party has any direct or indirect ownership interest in (including, without limitation, video clips, photographs, sound bites, copyrighted text, trademarks or service marks, or any other text or image in which any third party may claim intellectual property ownership interests). Franchisee will list on Franchisee's Website any Website maintained by Franchisor.

Restriction on Franchisee's Own Advertisement

You may purchase local advertising and promotion materials from any source that we approve. From time to time, we may furnish you with marketing, advertising and promotional materials at the cost of producing them, plus any related shipping, handling and storage charges. You may not modify such materials without our prior written consent. If you purchase these materials from a source other than us, these materials must comply with federal and local laws and regulations and with the guidelines for advertising and promotions promulgated from time to time by us and must be submitted to us at least 30 days prior to first use for approval, which we may grant or withhold in its sole discretion.

You may, at your own cost, develop promotional materials and advertising for local use Before distributing or publishing any advertising or promotional materials you create, you must obtain our written approval of the materials you intend to distribute. As a condition of approval, you must assign your copyright and any trademark or service mark rights in any materials you create to us, without compensation. You must permit us and other Goobne Chicken Restaurant franchisees we authorize, to use these materials without compensation. All of your own marketing, advertising and promotional materials must bear the Proprietary Marks in the form, color, location and manner that we prescribe. In no event may your own advertising contain any statement or material which, in our sole discretion, may be considered: (1) defamatory to any third party; (2) offensive to the general public; (3) to infringe upon any other person's trademark and/or service mark.

Grand Opening Advertising

At least sixty (60) days prior to the opening of a Franchised Restaurant, you must submit a Grand Opening Marketing Plan to us outlining your proposal for grand opening advertising of the Franchised Restaurant. You must obtain our consent to the Grand Opening Marketing Plan before you begin to implement it. You further agree that the Grand Opening Marketing Plan is performed and/or executed only by and through an outside marketing/advertising agency who is designated by the Franchisor. After we consent to the Grand Opening Marketing Plan, you cannot make any substantial changes to the Grand Opening Marketing Plan without our advance written consent. You must, during the period beginning 60 days before the scheduled opening of the Franchised Restaurant and continuing until 60 days after the Franchised Restaurant first opens for business, spend at least $8,000.00 to conduct grand opening advertising under the Grand Opening Plan.

Point of Sale System (POS), Technology and Computer Systems

You must purchase, lease, install, and maintain, at your own expense, a technology system including such data processing equipment, computer hardware, software, point of sale ("POS") system, required dedicated data, land telephone lines, broadband and wireless Internet connections, modems and other computer related accessories or peripheral devices that we require. There are no contractual limitations on the frequency and cost of upgrades and updates to the systems or programs.

Your POS system must be capable of accurately capturing sales transactions, collecting and generating gross sales reports allowing us to examine data and sales from the Franchised Restaurant, and collecting and generating sales reports by categories. The system also must be capable of complying with the Payment Card Industry Data Security Standard (PCI Standards) and the Fair Credit Reporting Act, which requires that, among other things, merchants truncate credit card and debit card numbers. We have the independent right under the Franchise Agreement to retrieve any data and information from your POS system that we deem appropriate, including electronically polling the daily sales, menu mix and other data of the Franchised Restaurant.

Presently, we have approved the "SQUARE," "TOAST" or "CLOVER" POS system; however, we may permit our franchisees to use a different system on a case by case basis. We estimate that it will cost you approximately $4,000.00 to $8,000.00 to purchase and set up the POS system for your Franchised Restaurant. We may require you to update and/or replace these systems at any time during the term of the Franchise Agreement at your own expense with or without cause.

We may introduce the additional computer software and hardware (including POS and additional back-office systems) which you must purchase, use, maintain, upgrade and update at your sole expense. Occasionally, these software and hardware may only be available through us or approved vendors. You are fully responsible for paying all supplier and/or licensor (which may include us) charges for use, maintenance, support and/or updates to any future required systems. We do not have a contractual obligation under the Franchise Agreement to provide any maintenance, repairs, upgrades, or updates on any software or hardware. There are no contractual limitations on the frequency and cost of upgrades and/or updates to the systems of programs. There is no contractual limitation on our use of the data, although any use by us shall be for reasonable business, purposes. Neither we, our affiliates, nor any third-party vendors are required to provide any type of ongoing maintenance, repairs, upgrades or updates to your computer system.

Location Section

You select the location for your Franchised Restaurant subject to our approval. The selection criteria are demographic characteristics, traffic patterns, parking, character of the neighborhood, competition from other businesses in the area, the proximity to other businesses, the nature of other businesses in proximity to the location and other commercial characteristics and the size, appearance, other physical characteristics, and a location plan of the premises. You also must furnish us with such financial statements, business plans and other financial and non-financial information regarding you and the development and operation of the proposed Franchised Restaurant. If we do not approve a site within the relevant time period, we, at our discretion, may terminate the Franchise Agreement. If you cannot find a suitable site within twelve months (or eighteen months, if you request and receive an extension) from signing the Franchise Agreement, we can terminate the Franchise Agreement and return only 80% of the Initial Franchise Fee to you. We may require you to engage the services of a real estate broker approved by us to assist you in identifying and securing a site for your Franchised restaurant.

We estimate that there will be an interval of six to twelve months between the execution of the Franchise Agreement and the opening of the Goobne Chicken Restaurant, but the interval may fluctuate based upon such factors as the construction schedule, needed tenant improvement at the restaurant site, the delivery schedule for materials, supplies, equipment, parts, completing training and your compliance with governing local and state law and regulations. You may not open the Goobne Chicken Restaurant for business until (1) we approve the Goobne Chicken Restaurant as developed according to our specifications and standards, (2) pre-opening training has been completed, (3) all of the requisite fees and costs including the Initial Franchise Fee are fully paid, and (4) a proof liability insurance policy has been provided. You must open the Goobne Chicken Restaurant as soon as you secure our approval by no later than seven calendar days from the date of approval unless parties agree otherwise in writing.

If you propose to lease or sublease the Franchised Location, you must provide us with a copy of the fully executed lease or sublease (for a term, including renewal terms, for at least the initial term of the Franchise Agreement) for the Franchised Location within thirty (30) days after we approve the location for the Franchised Location.

After Signing and Before Opening

We estimate that the time from signing the Franchise Agreement to opening of the Franchised Restaurant is approximately twelve (12) months. Factors that are relevant to the length of time needed to improve the location and open the Franchised Restaurant usually include your ability to obtain a commercial lease agreement and adequate financing, local requirements and procedures for necessary construction permits and zoning, installation of equipment, signs and fixtures and special circumstances affecting construction in a particular area, none of which are within our control.

Training

Initial Manager Training Program

At least 45 days prior to opening your Franchised Restaurant, we will provide to you (or your Operating Principal) an initial manager training program in the operation of a Goobne

Chicken Restaurant at those times and those places that we designate. The initial manager training program is provided to share our brand operating standards with your trainees to protect the System and the Proprietary Marks and not to control the day-to-day operation of your Franchised Restaurant. The length of our initial manager training program averages one (1) week. We may increase or decrease the length of the initial manager training program at our discretion based upon your managers' prior restaurant experience and actual training progress. The initial manager training program is scheduled so that it is completed sufficiently in advance of your Franchised Restaurant's grand opening date to afford adequate time for the Franchised Restaurant set-up and the hiring and training of the employees before the opening of the Franchised Restaurant. Currently, we do not charge a fee for the initial manager training program.

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Introduction	1	-	Corporate-owned store or another location designated by Franchisor
Operation Manual Food Preparation	1.5	9	
Menu/Plate Presentation	1.5	10	
SCM (Ordering, Spec, Inventory, etc.)	1	2	
Equipment Usage and Maintenance	1	2	
POS & Sales Cannel (On-Off)	1	2	
Basic Management (HR & Accounting)	2	2	
Marketing /AD	1	-	
Quality Control and Sanitation	1	2	
Total	11	29	

Employee Training

Prior to opening the Franchised Restaurant, you or your manager must train all newly hired employees in the operation of the Franchised Restaurant.

Additional Training Programs

We have the right to require that you or your restaurant manager(s), and any other employees that we designate take and successfully complete other training courses in addition to the initial manager training program. We reserve the right to require you to pay a training fee for these additional training programs as established by us from time to time. We also reserve the right to modify the elements of the initial manager training program and any additional training programs, in our sole discretion. You will be required to pay all incidental expenses incurred by you and your employees while attending any training program.

Item 12: Territory

Under the Franchise Agreement, we will grant you the right to operate continuously the Franchised Restaurant at the Franchised Location. 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 directly or indirectly. We may establish other franchised or company owned locations that may compete with your location. You are granted the right to operate a Goobne Chicken Restaurant from one (1) specified location only. Your location will be set forth on the Exhibits A & B to your Franchise Agreement. However, we do grant a specific non-exclusive territory in which we agree, subject to exceptions and reservations noted below, not to operate or permit others to operate a Goobne Chicken Restaurant. We will present you the proposed boundaries of your territory after we approve your franchise location. Your non-exclusive territory will be an area of at least two (2) miles from your Goobne Chicken Restaurant. In determining the proposed boundaries, we will consider such factors as the population size, ethnic make-up, persons per household, income level, residential/commercial mix, and population age, traffic patterns, parking, and access issues, neighboring business mix, rent and leasing terms, and size, appearance and other physical characteristics of the premises, and presence of any other nearby Goobne Chicken Restaurants. The specific description of your territory along with the corresponding map showing the clear boundaries of your territory, will then be placed in writing and incorporated into your franchise agreement.

You may not relocate the Franchised Restaurant without our prior written consent, which may be withheld by us in our sole discretion with or without reason after reviewing a variety of factors. If we approve a relocation of your Franchised Restaurant, we have the right to charge you for all reasonable fees and costs actually incurred in connection with consideration of the request, and we may condition our approval upon the payment of an agreed minimum royalty fee that is comparable to the average royalty for the past three months prior to the approval date of transfer to Goobne Chicken during the period in which the Franchised Restaurant is not in operation.

You have no options, rights of first refusal or similar rights to acquire additional franchises in any other locations. There are no restrictions on us or our franchisees from soliciting or accepting orders for our food products anywhere.

Franchisor retains the right, in its sole discretion:

(1) to itself operate, or to grant other persons the right to operate, Goobne Chicken Restaurant at such locations and on such terms and conditions as Franchisor deems appropriate, without regard to proximity to your Goobne Chicken Restaurant; and

(2) to sell the products and services authorized for Goobne Chicken Restaurant under the Marks through such similar and dissimilar channels of distribution (including the internet, social media platforms, catalog sales, telemarketing, or other direct marketing sales) and under such terms and conditions as Franchisor deems appropriate ("alternative distribution channels"). You will receive no compensation for such sales by Franchisor.

(3) to sell the products and services authorized for Goobne Chicken Restaurant under other trademarks, service marks and commercial symbols through such similar and dissimilar channels of distribution (including the internet, catalog sales, telemarketing, or other direct marketing sales) and under such terms and conditions as Franchisor deems appropriate ("alternative distribution channels"). You will receive no compensation for such sales by Franchisor. You may not use

alternative distribution channels (including use of a toll-free number, catalog, website, social medial platforms or the internet, or any other computer on-line service) to make sales anywhere.

Continuation of your operation at the franchised location is not dependent upon you attaining any particular volume or other contingency. Neither Franchisor, nor any of its affiliates has established franchised, company-owned, or affiliated-owned Goobne Chicken Restaurants selling similar products or services under different service marks and trademarks, but they reserve the right to do so in the future.

The Franchise Agreement does not prevent us from: (1) operating, and licensing others to operate, during the term of the Franchise Agreement, restaurants identified in whole or in part by the names and marks “Goobne” and/or "Goobne Chicken" at any location outside of the non-exclusive territory; (2) operating, and licensing others to operate, after the Franchise Agreement terminates or expires, restaurants identified in whole or in part by the names and marks “Goobne” and/or "Goobne Chicken" at any location; and (3) operating, and licensing others to operate, at any location, during the term of the Franchise Agreement or after the Franchise Agreement expires or terminates, any type of restaurant other than a restaurant identified in whole or in part by the names and marks “Goobne” and/or "Goobne Chicken." We are not obligated to compensate you for exercising any rights reserved to us in the nonexclusive territory.

The Franchise Agreement does not authorize you to sell products through other mediums of distribution, such as the Internet, telemarketing or catalog sales. We may permit you to advertise the Franchised Restaurant through the Internet and other electronic means, but we have the right to approve and control any online and/or offline presence that uses or displays any of the Proprietary Marks.

Item 13: Trademarks (Trade names, Trademarks, Service marks, Logos)

We grant you the right to operate a restaurant under the name “Goobne” and "Goobne Chicken" and to use our other current or future Proprietary Marks in the operation of your Franchised Restaurant. Under a Master Franchise Agreement with Goobne Chicken, Co. Ltd, we have the right to use and permit our franchisees and licensees to use the name and mark “Goobne” and "Goobne Chicken" in addition to certain related trademarks, service marks and other commercial symbols. Goobne Chicken, Co., Ltd. has the right to terminate the License Agreement if we commit a breach of the Master Franchise Agreement.

Goobne Chicken Co., Ltd. has registered the following marks with the United States Patent and Trademark Office ("USPTO") on the Principal Register:

TYPE OF MARK	REGISTER	FILING DATE REGISRATION ISSUE DATE FOREIGN REGISTRATION ISSUE DATE	REGISTRATION NUMBER SERIAL NUMBER
Trademark Goobne	Registered on the Principal Register	March 30, 2015 January 3, 2017 N/A	5111950 86580285
Service Mark Goobne	Registered on the Principal Register	March 30, 2015 January 3, 2017 N/A	511951 86580286
Trademark 굽네치킨	Registered on the Principal Register	August 5, 2021 Registration Pending October 21, 2016	N/A 90866217 40-1210764
Service Mark 굽네치킨	Registered on the Principal Register	August 5, 2021 Registration Pending October 10, 2016	N/A 90866227 41-0374226-0000

We are informed that Goobne Chicken Co., Ltd. intends to file all required declarations and renewal applications for the Proprietary Marks.

You must strictly adhere to our instructions when you use our Proprietary Marks. You may not use the Proprietary Marks on any vehicles without our prior written approval. You may not unilaterally modify the Proprietary Marks in any manner in connection with your display of, or creation or duplication of materials bearing, the Proprietary Marks. You may not use the Proprietary Marks or any variations of the Proprietary Marks or marks or names confusingly similar to the Proprietary Marks in any manner not authorized by Goobne Chicken or in any corporate, limited liability company or partnership name and may not use any other trade names, service marks or trademarks in conjunction with the Franchised Restaurant. You must use the symbol ® with all registered marks and the symbol TM with all pending registrations or other marks. You may not use the Proprietary Marks in connection with the sale of any unauthorized products or services or in any manner not authorized in writing by us.

You may not use the Proprietary Marks on any domain name, e-mail address or in the operation of any website without our prior written consent. We may grant or withhold our consent in our sole discretion and may condition our approval on such requirements as we deem appropriate, including, among other things, that you obtain our prior written approval of: (1) any and all domain names and home page addresses related to the Franchised Restaurant; (2) the proposed form and content (including any visible and non-visible content such as meta-tags) of any website related to the Franchised Restaurant; (3) your use of any hyperlinks or other links; (4) your use of any materials (including text, video clips, photographs, images and sound bites) in which any third party has an ownership interest; and (5) any proposed modification of your website. We may designate the form and content of your website and/or require that any such website be hosted by us or a third party designated by us, using one or more websites that we own and/or control. In addition, we may require you to establish hyperlinks to our website or another website designated by us. We may charge you a fee for developing, reviewing and approving your website and/or for hosting the website.

If the Master Franchise Agreement is terminated or if we should elect to use a principal name other than “Goobne” or "Goobne Chicken" to identify the System, the System and the Franchise Agreement will be deemed amended to substitute that name, and you will be required to incur the necessary costs to adopt the new name.

There are no presently effective rulings of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court relating to the principal Proprietary Marks that would materially affect your right to use the Proprietary Marks. There are no pending infringement, opposition or cancellation proceedings or material litigation involving the principal Proprietary Marks.

There are no agreements currently in effect that significantly limit our right to use or license the use of the Proprietary Marks in any manner material to you. We do not know of either superior prior rights or infringing uses that could materially affect your use of the Proprietary Marks in the State of California and other states.

The Franchise Agreement does not contain any provisions under which we or our licensor(s) are required to defend or indemnify you against any claims of infringement or unfair competition arising out of your use of the Proprietary Marks. The Franchise Agreement does require that you notify us immediately if you become aware of any infringement of the Proprietary Marks or if any litigation involving the Proprietary Marks is instituted or threatened against you. You may not make any demand, serve any notice, institute any legal action or negotiate, compromise or settle any controversy with respect to any such infringement without first obtaining our written approval. At our option, we may elect to defend any proceeding arising from your use of the Proprietary Marks.

Item 14: Patents, Copyright and Proprietary Information

We do not own any patents or patent applications that are significant to your Franchised Restaurant or the System.

However, we claim copyright protection in the Manual and certain forms, architectural, engineering and construction plans, advertising materials, product recipes, formulas, specifications, ingredients, processes, techniques and methodologies, supplier information, customer lists, location information, equipment specifications, computer programs, newsletters, training materials, and operations and accounting materials. We have not registered those materials with the United States Registrar of Copyrights but said materials are copyrighted materials and unauthorized use will result in a potential damage claim directed at unauthorized users.

The Manual and these other materials contain our detailed standards and specifications for developing and operating your Franchised Restaurant, including specifications and standards relating to the construction of Franchised Restaurants. The Manual and other proprietary information also may discuss the selection, purchase, storage, preparation, packaging, ingredients, recipes, cooking methods, service and sale of the products and beverages you will sell at your Franchised Restaurant. The Manual also contains information on operations training, marketing, advertising and sales promotions, signs, fixtures and furnishings, employee dress attire and appearance standards, menu concept, and other business procedures. We can modify the Manual and our copyrighted materials from time to time. You must promptly implement any changes or modifications at your own cost. We will have no obligation or liability to you as a result of the changes or modification.

The Manual and all other materials and information provided or disclosed to you regarding the System are disclosed in confidence. You may not disclose any part of this information to anyone who is not your employee, and you will disclose to your employees only those parts of the System that are pertinent to the employee’s job description. You must also agree not to contest our interest in the trade secrets and confidential and proprietary information that comprises the System.

We are not required by any agreement to protect or defend copyrights or confidential information, although we intend to do so if any need arises. There are no presently effective rulings of the USPTO, the US Copyright Office, or any court regarding any patents or copyrights that you are permitted to use under the Franchise Agreement.

Item 15: Obligation to Participate in the Actual Operation of the Franchise Business

You are not obligated to participate personally in the direct operation of the Franchised Restaurant at all times, however, you must designate a qualified individual to serve as the "Operating Principal" of your Franchised Restaurant. The Operating Principal must devote substantial time and adequate efforts to operate your Franchised Restaurant. Unless waived in writing by us, the Operating Principal must own at least a 50% equity interest in you as of the date of the first franchise-related agreement between you and us.

The Franchised Restaurant must at all times be under the on-site supervision of the Operating Principal or a restaurant manager.

Item 16: Restrictions on What the Franchisee May Sell

You must use the Franchised Restaurant solely for the operation of a Goobne Chicken Restaurant. You must maintain sufficient inventories, adequately staff during each shift with trained employees and continuously operate the Franchised Restaurant at its maximum capacity for at least the minimum number of days and hours that we specify in the Manual, Franchise Agreement or otherwise in writing.

You must operate the Franchised Restaurant in strict conformity with the methods, standards and specifications that we prescribe in the Manual or otherwise in writing and maintain the highest applicable health standard.

You must sell at the Franchised Restaurant only those products and services that are expressly authorized by us in the Manual, Franchise Agreement or otherwise in writing. We have the right to change the menu items, ingredients, products, materials, supplies and paper goods or the standards and specifications of each, and there are no limits on our ability to do so. Within 30 days after receipt of written notice from us, you must begin selling any newly authorized menu items and cease selling any menu items that are no longer authorized. We do not limit the customers to whom you may sell goods or services.

Item 17: Renewal, Termination, Transfer and Dispute Resolution

THE FRANCHISE RELATIONSHIP

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

Provision		Section(s) in Franchise Agreement	Summary
a.	Length of the franchise term	Section 4.1	5 years from the date that the Franchised Restaurant opens.
b.	Renewal or extension of the term	Section 4.2	You have one (1) option to renew the franchise agreement for a term of 5 years.

	Provision	Section(s) in Franchise Agreement	Summary
c.	Requirements for you to renew/extend	Section 4.2	In order to renew at the end of the Initial Term you must: (a) not be in default under any agreement; (b) have the ability to renew the commercial lease for the extended term; (c) tender a sufficient and timely notice of renewal to the franchisor; (d) possess sufficient financial capabilities to pay for remodeling, upgrading and any and all other expenses that be incurred in connection with and as a result of renewal; (e) promptly comply with franchisor’s document requests to evaluate franchisee’s renewal request; (f) sign a new Franchise Agreement.
d.	Termination by franchisee	Section 10.1	You generally have no right to terminate the Franchise Agreement unless good cause exists. However, Franchisee may terminate this Agreement any time before the franchisor approves the franchise location.
e.	Termination by franchisor without cause	Section 10.2	We have no right to terminate the Franchise Agreement without cause.
f.	Termination by franchisor with cause	Section 10.2	We may terminate the Franchise Agreement upon showing of cause and default.
g.	"Cause" defined - curable defaults	Section 10.3	Franchisor may terminate this Agreement, in its discretion and election, effective at the close of business 30 days after giving written notice of default cited in the notice. If a default cannot reasonably be cured within 30 days, franchisee may apply to Franchisor for additional time to complete the cure.

	Provision	Section(s) in Franchise Agreement	Summary
h.	"Cause" defined - Non-curable defaults	Section 10.2	Non-curable defaults include: inability to agree on a franchise location; failure to satisfy the conditions relating to opening of the franchise restaurant; failure to make payments to franchisor and any third party suppliers and vendors; failure to respond and communicate with the franchisor; failure to report or submit requisite financial statement; losing the right to possess and continue possess the leased space where the franchise business is conducted; Making any general arrangement or assignment for the benefit of creditors or file a bankruptcy petition; Making a material misrepresentation or omission in obtaining the franchise rights granted; failing to comply with the conditions governing the transfer of rights under the franchise agreement; Making any unauthorized use, publication, duplication or disclosure of any confidential information or any portion of the Manual; Abandoning or failing to refuse to actively operate the franchised restaurant; Misusing or making an unauthorized use of any of the franchisor's trademarks and copyrighted materials; Understating the Gross Sales to the franchisor; Failing to correct any unhealthy, unsanitary or unclean condition at Franchisee's Restaurant; Committing acts of dishonesty or material misrepresentation to or against Company, suppliers or any government agency.

	Provision	Section(s) in Franchise Agreement	Summary
i.	Franchisee's obligations on termination/non-renewal	Section 11.1	Obligations include: payment of amounts due; return Manual; continued observance of covenants; discontinue use of Proprietary Marks and trade secrets; and complete de-identification of the Franchised Restaurant.
j.	Assignment of contract by franchisor	Section 12.1	There are no restrictions on our right to assign.
k.	"Transfer" by franchisee-defined	Section 12.2	Franchisee has no right, by operation of law or otherwise, to sell, assign, transfer, pledge, donate, encumber or otherwise deal with directly or indirectly.
l.	Franchisor approval of transfer by franchisee	Section 12.2	Franchisee may seek Franchisor's prior written consent for any transfer, which shall not unreasonably be withheld and shall be subject to the further conditions stated in the franchise agreement
m.	Condition for franchisor approval of assignment	Section 12.2	Conditions include: transferee qualified; reasonable sales price; payment of amounts due; no default on any agreement with us; no default beyond the applicable cure period on any commercial lease, equipment lease or financing instrument relating to the Franchised Restaurant or with any vendor or supplier to the Franchised Restaurant; transfer fee paid; agreements signed; and execution of guarantee under the terms of which you will remain liable for all obligations to us incurred before the transfer date and for one year following the transfer.
n.	Franchisor's right of first refusal to acquire franchisee's business	Section 10.5	We can match any offer for your business.

	Provision	Section(s) in Franchise Agreement	Summary
o.	Franchisor’s option to purchase franchisee’s business	Section 11.3	We can purchase all or part of your business assets upon expiration or earlier termination of the Franchise Agreement.
p.	Your death or disability of franchisee	Section 12.4	Transfer to any person owning a Controlling Interest in the equity or voting interests of franchisee, spouse, heirs or personal representative of the deceased or incapacitated person, or the remaining shareholders, members, partners or owners your spouse, adult children, parent, adult sibling is permitted. Such Transfer shall be completed within a reasonable time, not to exceed 180 days from the date of death or permanent disability.
q.	Non-competition covenants during the term of franchise	Section 7.12	No diversion of any business or customer to any competitor; no interest in any restaurant business that features chicken as a primary menu item (i.e., sales of chicken menu items comprise at least 20% of sales) or whose method of operation or trade dress is similar to that used in the System.
r.	Non-competition covenants after the franchisee is terminated or expires	Section 7.13	No activity as described in q. above for two (2) years within the non-exclusive territory and within twenty-five (25) miles of any then-existing Goobne Chicken Restaurant.
s.	Modification of the agreement	Section 17.8	No modification generally without signed agreement, but we may modify the System and the Manual.
t.	Integration/Merger Clause	Section 12.2	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises made outside the disclosure document and the Franchise Agreement may not be enforceable.

	Provision	Section(s) in Franchise Agreement	Summary
u.	Dispute resolution by arbitration or mediation	Section 15.1	Any dispute arising from or relating to this Agreement shall be resolved by arbitration according to the Commercial Rules of Arbitration of American Arbitration Association. Arbitration shall be conducted by a single arbitrator. The arbitration shall be conducted in Los Angeles, California
v.	Choice of Forum	Sections 17.1 & 17.13	Subject to state law, you can only file suit where our principal office is then located (currently La Mirada, California), and we may file suit in the jurisdiction where our principal office is then located, where you reside or do business, where the Franchised Restaurant is or was located or where the claim arose.
w.	Choice of Law	Sections 15.1 & 17.13	The laws of the State of California the governing law.

Item 18: Public Figures

We currently do not use any public figure(s) to promote Goobne Chicken Restaurants.

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.

We do not make any financial performance 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 our management by contacting our Chief Executive Officer, Ki Soo Lee, at 14808 Beach Blvd., La Mirada, CA 90638., telephone (714) 476-4136, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20: Outlets and Franchisee Information

As of the date of present application, we do not have any franchisees.

TABLE NO. 1
SYSTEM WIDE OUTLET SUMMARY
FOR YEARS 2020 TO 2022

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE
Franchised	2020	0	0	0
	2021	0	0	0
	2022	0	0	0
Company-Owned	2020	0	0	0
	2021	0	0	0
	2022	0	2	2
Total Outlets	2020	0	0	0
	2021	0	0	0
	2022	0	2	2

TABLE NO. 2
TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR)
FOR YEARS 2019 TO 2022

STATE	YEAR	NUMBER OF TRANSFERS
CA	2018	0
	2019	0
	2020	0
	2021	0
	2022	0
TOTAL	2018	0
	2019	0
	2020	0
	2021	0
	2022	0

TABLE NO. 3
STATUS OF FRANCHISED OUTLETS
FOR YEARS 2020 TO 2022

STATE	YEAR	NUMBER OF OUTLETS						
		AT START OF THE YEAR	OPENED	TERMINATIONS	NON-RENEWALS	REAQUIRED BY FRANCHISOR	CEASED OPERATIONS OTHER REASONS	AT END OF THE YEAR
CA	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
TOTAL	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0

No Franchisees were cancelled or terminated and none were reacquired by Favor 46, Inc. during the most recent fiscal year (i.e., FYE 12-31-2022).

TABLE NO. 4
STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS 2020 TO 2022

STATE	YEAR	NUMBER OF OUTLETS					
		AT START OF THE YEAR	OPENED	REACQUIRED FROM FRANCHISEES	CLOSED	SOLD TO FRANCHISEES	AT END OF THE YEAR
CA	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
TOTAL	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0
	2022	0	2	0	0	0	2

TABLE NO. 5
PROJECTED NEW FRANCHISED OUTLETS
AS OF DECEMBER 31, 2022

STATE	FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPEN	PROJECTED NEW FRANCHISED OUTLET IN THE NEXT FISCAL YEAR	PROJECTED NEW COMPANY-OWNED OUTLETS OPENINGS IN THE CURRENT FISCAL YEAR
CA	1	0	0
TOTAL	1	0	0

(l) Note: Favor 46, Inc. does not have any franchised outlets operating outside of California and does not operate any company-owned stores outside of California; it is not intending to open one or more stores in other states during its FYE December 31, 2023.

(2) See Exhibit H for List of Franchisees.

Item 21: Financial Statements

Attached to this disclosure document as Exhibit B is our audited financial statement for the year ending on December 31, 2022. Since we have not been in operation for three years, we do not have three years of audited financial statements to include in this disclosure document.

Item 22: Contracts

The following agreements related to a Franchised Restaurant are attached as exhibits to this disclosure document:

Exhibit A:	State Administrators/Agent for Service of Process
Exhibit B:	Financial Statement
Exhibit C:	Agreement Request Form
Exhibit D:	Franchise Agreement
Exhibit E:	Confidentiality Agreement
Exhibit F:	Addendum to Lease
Exhibit G:	Table of Contents of Confidential Operating Manual
Exhibit H:	List of Franchisees
Exhibit I:	List of Franchisees who Have Left the System
Exhibit J:	State Specific Addendum
Exhibit K:	State Effective Dates

Item 23: Receipts

THE LAST PAGE OF THE FRANCHISE DISCLOSURE DOCUMENT (FOLLOWING THE EXHIBITS AND ATTACHMENTS) IS A DOCUMENT ACKNOWLEDGING RECEIPT OF THE FRANCHISE DISCLOSURE DOCUMENT BY YOU (ONE COPY FOR YOU AND ONE TO BE SIGNED FOR US).

[NOTE: Next page is Exhibit A]

EXHIBIT A
LIST OF STATE ADMINISTRATORS

The following is a list of state administrators responsible for registration and review of franchises for these states. We may register in one or more of these states.

California
Department of Financial Protection & Innovation
One Sansome Street, Suite 600
San Francisco, California 94104
(866) 275-2677 Toll Free; Website: www.dfpi.ca.gov
Email: Ask.DFPI@dfpi.ca.gov

Department of Financial Protection & Innovation
320 W. 4th Street, Suite 750
Los Angeles, California 90013
(866) 275-2677 Toll Free; Website: www.dfpi.ca.gov
Email: Ask.DFPI@dfpi.ca.gov

Department of Financial Protection & Innovation
2101 Arena Blvd.
Sacramento, California 95834
(866) 275-2677 Toll Free; Website: www.dfpi.ca.gov
Email: Ask.DFPI@dfpi.ca.gov

Connecticut
Connecticut Banking Commissioner
Department of Banking
Securities & Business Investments Division
260 Constitution Plaza
Hartford, Connecticut 06103
(860) 240-8299

Florida
Division of Consumer Services
Attn: Business Opportunities
2005 Apalachee Parkway
Tallahassee, Florida 32399-6500

Hawaii
Commissioner of Securities
Department of Commerce & Consumer Affairs
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

Illinois
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

Indiana
Indiana Secretary of State
Securities Division
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204

Kentucky
Office of the Attorney General
Consumer Protection Division
Attn: Business Opportunity
1024 Capital Center Drive
Frankfort, Kentucky 40601-8204

Maine
Department of Professional and Financial Regulations
Bureau of Banking
Securities Division
121 Statehouse Station
Augusta, Maine 04333

Maryland
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202

Michigan
Department of the Attorney General
Consumer Protection Division, Franchise Unit
525 Ottawa Street
G. Mennen Williams Building, 1st Floor
Lansing, Michigan 48933

Minnesota
Minnesota Department of Commerce
Commissioner of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1500

Nebraska
Nebraska Department of Banking and Finance
Commerce Court
1230 0 Street, Suite 400
Lincoln, Nebraska 68509

New York
Office of the New York State Attorney General
Investor Protection Bureau
Franchise Section
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8236 - Phone
(212) 416-6042 – Fax

EXHIBIT A
LIST OF STATE ADMINISTRATORS (continued)

North Carolina
Secretary of State
Securities Division
Old Revenue Complex
2 South Salisbury Street
Raleigh, North Carolina 27601

North Dakota
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol — 5th Floor
Department 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

Rhode Island
Director, Department of Business Regulation
John 0. Pastore Complex
1511 Pontiac Avenue
Building 69, First Floor
Cranston, Rhode Island 02920

South Carolina
Office of the Secretary of State
1205 Pendleton Street
Edgar Brown Building, Suite 525
Columbia, South Carolina 29201

South Dakota
Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501

Texas
Office of the Secretary of State
Statutory Document Section
1019 Brazos Street
Austin, Texas 78701

Utah
Utah Department of Commerce
Division of Consumer Protection
160 East Three Hundred South
P.O. Box 146704
Salt Lake City, Utah 84114-6704

Virginia
State Corporation Commission
Division of Securities and Retail Franchising
Tyler Building, 9' Floor
1300 East Main Street
Richmond, Virginia 23219
(804) 371-9051

Washington
Department of Financial Institutions
Securities Division
150 Israel Road Southwest
Olympia, Washington 98501

Wisconsin
Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705

LIST OF STATE AGENTS FOR SERVICE OF PROCESS

The Franchisor has not appointed an agent identified below unless it is registered in that state, as noted on the page following the State Cover page to this document.

California
Commissioner of Financial Protection & Innovation
One Sansome Street, Suite 600
San Francisco, California 94104
(866) 275-2677 Toll Free; Website: www.dfpi.ca.gov
Email: Ask.DFPI@dfpi.ca.gov

Commissioner of Financial Protection & Innovation
320 W. 4th Street, Suite 750
Los Angeles, California 90013
(866) 275-2677 Toll Free; Website: www.dfpi.ca.gov
Email: Ask.DFPI@dfpi.ca.gov

Commissioner of Financial Protection & Innovation
2101Arena Blvd.
Sacramento, California 95834
(866) 275-2677 Toll Free; Website: www.dfpi.ca.gov
Email: Ask.DFPI@dfpi.ca.gov

Connecticut
Connecticut Banking Commissioner
Department of Banking; Securities & Business Investments Division
260 Constitution Plaza
Hartford, Connecticut 06103
(860) 240-8299

Hawaii
Commissioner of Securities; Business Registration Division
Department of Commerce and Consumer Affairs
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

Illinois
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

Indiana
Indiana Secretary of State
Securities Division
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204

Maryland
Maryland Securities Commissioner
Office of Attorney General; Securities Division
200 St. Paul Place
Baltimore, Maryland 21202

Michigan
Michigan Department of Commerce Corporations and Securities Bureau
P.O. Box 30054
6546 Mercantile Way
Lansing, Michigan 48909

Minnesota
Minnesota Department of Commerce
Commissioner of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101

New York
Attention: New York Secretary of State
New York Dept. of State
One Commercial Plaza
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001
(518) 473-2492

North Dakota
North Dakota Securities Department
State Capitol - 5th Floor
600 East Boulevard
Bismarck, North Dakota 58505-0510

Rhode Island
-7 Director, Department of Business Regulation
John 0. Pastore Complex
1511 Pontiac Avenue
Building 69, First Floor
Cranston, Rhode Island 02920

South Dakota
Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501

Virginia
Clerk, State Corporation Commission
Tyler Building, Pt Floor
1300 East Main Street
Richmond, Virginia 23219
(804) 371-9733

Washington
Director, Department of Financial Institutions
Securities Division
150 Israel Road Southwest
Olympia, Washington 98501

Wisconsin
Commissioner of Securities
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705

EXHIBIT A

EXHIBIT B

FAVOR 46, INC.'S FINANCIAL STATEMENT

FOR THE YEARS ENDING ON DECEMBER 31, 2022

AND DECEMBER 31, 2021

(WITH INDEPENDENT AUDITOR'S REPORT)

Favor 46, Inc.
a California Corporation)

FOR THE YEAR ENDED
DECEMBER 31, 2022

FINANCIAL STATEMENTS

with

Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Favor 46, inc.
La Mirada, California

I have audited the accompanying financial statements of Favor 46, Inc., which comprise the balance sheet as of December 31, 2022, and the related statements of operations and shareholders' equity, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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 consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Favor 46, Inc. as of December 31, 2022, and the result of its operations and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Fullerton, California
March 09, 2023

Favor 46, Inc.

(A California Corporation)

BALANCE SHEET

December 31, 2022

	Note		
ASSETS			
CURRENT ASSETS:			
Cash & Cash Equivalents	2	$	3,760
Accounts Receivable	3		11,144
Other Current Assets	4		90,400
TOTAL CURRENT ASSETS			105,304
PROPERTY AND EQUIPMENT - Net	5		6,314
OTHER ASSETS - Net	6		259,972
TOTAL OTHER ASSETS			259,972
TOTAL ASSETS		$	371,589
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Credit Card Payable		$	4,310
Loan from Shareholder			4,000
Other Payable			50
Payroll Taxes Payable			1,622
Royalty Payable			669
Sales Taxes Payable			289
Unearned Revenue - Franchiase Fees			35,000
Withholding Tax Payable			7,914
TOTAL CURRENT LIABILITIES			53,853
TOTAL LIABILITIES			53,853
SHAREHOLDERS' EQUITY			
Common Stock	9		765,000
Accumulated Deficit			447,264)
TOTAL SHAREHOLDERS' EQUITY			317,736
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$	371,589

See the independent auditor's report and accompanying notes to financial statements.

Favor 46, Inc.
(A California Corporation

STATEMENT OF OPERATIONS

For the Year ended December 31, 2022

	Note		
REVENUE	1	$	36,754
COST OF GOODS SOLD			27,474
GROSS PROFIT			9,280
OPERATING EXPENSES			
Amortization Expenses			10,000
Automobile Expenses			9,198
BanN Charges			170
Business License and Permits			1,800
Computer and Internet Expenses			327
Depreciation Expenses			1,227
Insurance Expenses			15,911
Legal and Professional Fees			10,820
Meals and Entertainment			2,341
Office Expenses & Supplies			6,299
Outside Services			446
Payroll Tax Expenses			6,887
Postage and delivery expense			9,029
Rent			18,300
Repair and Maintenance			428
Research and Samples			951
Royalties			6,646
Salaries-Officer			86,000
Supplies			441
Telephone and Telex			801
Travel			1,440
TOTAL OPERATING EXPENSES			189,461
OTHER INCOME AND (EXPENSES)			
Other Income			1,080
Interest Expenses			1,341)
Investment Loss			123,873)
Total Other Income/(Expesnes			124,134)
LOSS BEFORE PROVISION FOR INCOME TAXES			304,315)
PROVISION FOR INCOME TAXES	7		800
NET LOSS		$	305,115)

See the independent auditor's report and accompanying notes to financial statements.

Favor 46, Inc.
A California Corporation)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQIITY
For the Year ended December 31, 2022

	Common Stock				Accumulated		
	Shares		Amount		Deficits		Total
Balance at January 01, 2022	55,000	$	550,000	$	142,149)	$	407,851
Net loss					305,115)		305,115)
Dividend declared							
Capital contribution			215,000				215,000
Balance at December 31, 2022	55,000	$	765,000	$	447,264)	$	317,736

See the independent auditor's report and accompanying notes to financial statements.

Favor 46, Inc.
(A California Corporation)

STATEMENT OF CASH FLOWS
For the Year ended December 31, 2022

OPERATING ACTIVITIES:

Net income (loss)	$ 305,115)
Adjustments to reconcile net income (loss) to cash provided by operations	
Amortization & depreciation	11,227
Incr.) decr. in accounts receivable	(11,144)
Incr.) decr. in inventory	41,325)
Incr.) decr. in royalty receivable	(,7 5)
Incr.) decr. in advance payment	41,205
(Incr.) decr. in due from affiliates	24,090)
Incr.) decr. in loan to shareholder	5,000)
Incr. (decr.) in credit card payable	4,221
Incr. (decr.) in loan from shareholder	4,000
Incr. (decr.) in unearned revenue	35,000
Incr. (decr.) in other payable	50
Incr. (decr.) in sales ta[payable	2 9
Incr. (decr.) in investment loss	123, 73
Incr. (decr.) in payroll ta[payable	(1,749)
Incr. (decr.) in royalty payable	669
Incr. (decr.) in Zithholding ta[payable	914
Total adjustments	129,354
Cash provided by (used) operations	175,761)

CASH FLOWS FROM INVESTING ACTIVITIES:

Property and equipment	3,916)
Investment in stores	272,500)
Net cash provided by (used in) investing activities:	(276,416)

FINANCING ACTIVITIES:

Capital Stock	215,000
Cash provided by used financing activities	215,000
NET INCREASE (DECREASE) IN CASH	237,177)
CASH - Beginning of period	240,937
CASH - End of period	$ 3,760

See the independent auditor's report and accompanying notes to financial statements.

Supplementary Information

Favor 46, Inc.
(A California Corporation)

NOTES TO FINANCIAL STATEMENTS
For the Year ended December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF BUSINESS

Favor 46, Inc. (the "Company") was incorporated in the state of California on March 16, 2021. and the Company is mainly engaged in developing and franchising "Goobne Chicken" branded restaurants. As of reporting date, there is one operating stores and the Company is developing another store in the city of Fullerton, California. California.

Basis of Accounting

The following summary of significant accounting policies is presented to assist in understanding the Company s financial statements. The financial statements and notes are representations of the company s management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statement.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Inventories

Inventories are stated at the lower of cost or market, cost is determined using the first in, first out method. Inventories are periodically reviewed by nanagement for slow moving and obsolescence, and reserves are established, if required. No inventory reserves were recorded as of December 31, 2022.

Revenue Recognition

The Company recognizes revenue when goods or services are transferred to customers in an amount that reflects the consideration which it expects to receive in exchange for those goods or services. In determing when and how revenue is recognized from contracts with customers, the Company performs the following five-step analysis: (1) identification of contract with customers; (2) determination of performance obligations; (3) measurement of the transaction price; (4) allocation of the transaction price to the performance obligations; 5) recognition of revenue when (or as) the Company satisfies each performance obligations.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and libilities are recognized for the future tax consequences attributible to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Company recognizes the effect of income tax positions are mesured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company records interest and penalties relating to unrecognized tax benefits, if any, in interest expense and other general and administrative expenses.

New Accounting Pronouncements

In February 2016, the FASB issued Accounting Standards Update ("ASU" 2016-02, Leases, which supersedes existing guidance on accounting for leases in ASC 840, Leases, and generally requires all leases to be recognized in the statement of financial position, ASU 2016-02 was further amended by ASU 2017-13, ASU 2018-01, ASU 2018-10, ASU 2018-11, ASU 2018-20, ASU 2019-01, and ASU 2019-10. The new quidance amends the recognition of lease assets and lease liabilities by leassees for those leases classified as operating leases and amends disclosure requirements associated with leasing arrangements. The provisions of ASU 2016-02 and related further updates are effective for reporting periods beginning after December 15, 2021; early adoption is permitted. The provisions of these ASUs are to be applied using a modified retrospective approach. The Company is currently evaluating the effect that these ASUs will have on its financial statements.

Advertising Expenses

The Company s adevertising costs are expensed as incurred. For the year ended December 31, 2022, no advertising cost was incurred.

Property and Equipment

Property and equipment, including renewals and betterments, are stated at historical cost. Cost of renewals and betterment that extend the economic useful lives of the related assets are capitalized. Expenditures for ordinary repairs and maintenance are charged to expense as incurred. Depreciation is computed over the estimated useful life of the respective asset under the straight-line method. The usuful lives of assets are as follows:

	Useful lives
Computers and Softwares	5 years
Furniture and Fixtures	5 - 7 years

Favor 46, Inc.
(A California Corporation)

NOTES TO FINANCIAL STATEMENTS
For the Year ended December 31, 2022

NOTE 2: CASH & CASH EQUIVALENTS

Cash and cash equivalents as of reporting date was as follows:

Cash in bank - Bank of Hope Checking)	$	3,760
Total cash cash equivalents	$	3,760

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable (royalties) as of reporting date consist of the followings:

Accounts receivable	$	11,144
/ess: allowance for doubtful accounts		-
Net realizable value	$	11,144

NOTE 4 - OTHER CURRENT ASSETS

Other current assets as of reporting date was as follows:

)ood inventory	$	0,97
5oyalty receivable		,7
/oan to shareholder		,000
/oan to stores		,64
Total other current assets	$	90,400

NOTE 5 - PROPERTY AND EQUIPMENT -NET

Property and equipment as of reporting date consist of the followings:

Property and equipment	$	7,
/ess: Accumulated depreciation		1, 69
Total property and equipment - net	$	6,314

Favor 46, Inc.
(A California Corporation)

NOTES TO FINANCIAL STATEMENTS

For the Year ended December 31, 2022

NOTE 6 - OTHER ASSETS

On April 22, 2021, the Company entered into a master franchise agreement with GN Food (Seoul Korea). Under the agreement the Company was granted for the right to open and operate Goobne Chicken Restaurants in Los Angeles county and Orange county. The Company has the right to operate for the initial term of 10 years.

Tnvestment in Stores Fullerton and Torrance	$	300,000
Less: Tnvestment Losses		125,646
Total Tnvestment in Stores		174,354
0aster Franchise Fee 3aid (for 10 years Net of amortization		4,167
Security Deposits Office		1,451
Total	$	259,972

NOTE 7 - INCOME TAXES

The Companu s effective tax rate differs from the federal statutory tax rate of 21% primarily due to state income taxes; certain expenses, such as entertainment, fines, and pernalties not deductible for tax purposes; and change in valuation allowance for the year ended December 31, 2022.

As of December 31, 2022, gross net operating loss NOL) carryforward for federal income tax purpose of $446,963 is available as deductions for future taxable income of such jurisdiction.

On December 22, 2017, the US government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act eliminates the NOL carryback period and makes the carryforward indefinite. For State of California, the Company has gross NOL amount of $444,446.

Tn assessing the realization of the deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. Due to the no previous history of pretax book income/loss, management believes it is more likely than not the Company will not realize the benefit of these deductible differences, and full valuation allowance is recorded. The underlying assumptions used in forcasting future taxable income require significant judgement and take into account the Company s recent performance.

The tax effects of temporary differences that give rise to deferred tax assets at December 31, 2022, are as follows:

Deferred tax assets		
Net operating loss carryforwards	$	446,963
Valuation allowance		446,963)
Net deferred tax assets	$	

NOTES TO FINANCIAL STATEMENTS

For the Year ended December 31, 2022

NOTE 8 - RELATED PARTY TRANSACTIONS

The Company recorded revenues of powders, sauces and restaurant supplies sales to the operating store and recognizes royalty income which is 4.5% of operating store's sales amounts.

NOTE 9 - SHAREHOLDERS' EQUITY

As of reporting date, contributed capital was $765,000.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

As of reporting date of this financial statements, the Company has no commitments or contingencies to be reported.

NOTE11 - SUBSEQUENT EVENTS

Management of the Company has evaluated material events or transactions subsequent to December 31, 2022 through March 09, 2023, the date of issuance of audited financial statements of the Company, and determined that there was no material subsequent event that would be reported in the financial statements.

Favor 46, Inc.
(a California Corporation)

FOR THE TEN MONTHS ENDED
DECEMBER 31, 2021

FINANCIAL STATEMENTS

with

Independent Auditor's Report

C O N T E N T S

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Financial Statements

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- **Statement of Operations** 5
- **Statement of Shareholders' Equity** 6
- **Statement of Cash Flows** 7
- **Notes to Financial Statements** 8 - 12

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Favor 46, Inc.
La Mirada, California

I have audited the accompanying financial statements of Favor 46, Inc., which comprise the balance sheet as of December 31, 2021, and the related statements of operations and shareholders' equity, and cash flows for the ten months then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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 consolidated financial statements.

507 Rosarita Drive, Fullerton, California 92835 Cell: 714-272-6840 Fax: 877-366-9504

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Favor 46, Inc. as of December 31, 2021, and the result of its operations and its cash flows for the ten months then ended in accordance with U.S. generally accepted accounting principles.

Yoon Hwang

Fullerton, California
February 25, 2022

507 Rosarita Drive, Fullerton, California 92835 Cell: 714-272-6840 Fax: 877-366-9504

Favor 46, Inc.

(A California Corporation)

BALANCE SHEET

December 31, 2021

	Note		
ASSETS			
CURRENT ASSETS:			
Cash & Cash Equivalents	2	$	240,937
Other Current Assets	3		52,404
TOTAL CURRENT ASSETS			293,341
PROPERTY AND EQUIPMENT - Net	4		3,624
OTHER ASSETS - Net	5		121,345
TOTAL OTHER ASSETS			121,345
TOTAL ASSETS		$	418,310
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Credit Card Payble		$	88
Payroll Taxes Payable			3,371
Withholding Tax Payable			7,000
TOTAL CURRENT LIABILITIES			10,459
TOTAL LIABILITIES			10,459
SHAREHOLDERS' EQUITY			
Common Stock	6, 7		550,000
Accumulated Deficit			(142,149)
TOTAL SHAREHOLDERS' EQUITY			407,851
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$	418,310

See the independent auditor's report and accompanying notes to financial statements.

Favor 46, Inc.
(A California Corporation)

STATEMENT OF OPERATIONS

Ten Months ended December 31, 2021

	Note	
REVENUE		$ -
OPERATING EXPENSES		
Amortization Expenses		5,833
Automobile Expenses		2,790
Bank Charges		138
Business License and Permits		2,585
Depreciation Expenses		342
Dues & Subscriptions		295
Donation		300
Insurance Expenses		1,304
Legal and Professional Fees		20,320
Meals and Entertainment		2,692
Office Expenses & Supplies		1,724
Payroll Tax Expenses		7,000
Postage and delivery expense		80
Rent		8,327
Repair and Maintenance		67
Research and Samples		273
Salaries-Officer		84,000
Telephone and Telex		316
Travel		1,859
Utilities		112
TOTAL OPERATING EXPENSES		140,358
OTHER INCOME AND EXPENSES		
Interest Expenses		18
Investment Loss		1,773
Total Other Income/(Expesnes)		1,791
LOSS BEFORE PROVISION FOR INCOME TAXES		(142,149)
PROVISION FOR INCOME TAXES	5	-
NET LOSS		$ (142,149)

See the independent auditor's report and accompanying notes to financial statements.

Favor 46, Inc.
(A California Corporation)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
Ten Months ended December 31, 2021

	Common Stock		Accumulated	
	Shares	Amount	Deficits	Total
Balance at March 16, 2021	-	$ -	$ -	$ -
Net loss			(142,149)	(142,149)
Dividend declared				-
Stock Issuance	55,000	550,000		550,000
Balance at December 31, 2021	55,000	$ 550,000	$ (142,149)	$ 407,851

See the independent auditor's report and accompanying notes to financial statements.

Favor 46, Inc.
(A California Corporation)

STATEMENT OF CASH FLOWS
Ten Months ended December 31, 2021

OPERATING ACTIVITIES:		
Net income (loss)	$	(142,149)
Adjustments to reconcile net income (loss) to cash provided by operations		
Amortization & depreciation		6,175
(Incr.) decr. in advance payment		(41,205)
(Incr.) decr. in due from affiliate		(1,552)
(Incr.) decr. in inventories		(9,647)
Incr. (decr.) in credit card payable		88
Incr. (decr.) in investment loss		1,774
Incr. (decr.) in payroll tax payable		3,371
Incr. (decr.) in withholding tax payable		7,000
Total adjustments		(33,996)
Cash provided by (used) operations		(176,145)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property and equipment		(3,966)
Investment in stores		(27,500)
Master franchise fee		(100,000)
Security deposit - rent		(1,451)
Net cash provided by (used in) investing activities:		(132,917)
FINANCING ACTIVITIES:		
Capital Stock		550,000
Cash provided by used financing activities		550,000
NET INCREASE (DECREASE) IN CASH		240,938
CASH - Beginning of period		-
CASH - End of period	$	240,937

See the independent auditor's report and accompanying notes to financial statements.

Favor 46, Inc.
(A California Corporation)

NOTES TO FINANCIAL STATEMENTS
Ten Months ended December 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF BUSINESS

Favor 46, Inc. (the "Company") was incorporated in the state of California on March 16, 2021. and the Company is mainly engaged in developing and franchising "Goobne Chicken" branded restaurants. As of reporting date, there is no operating stores and the Company is developing two stores in the cities of Fullerton and Torrance California.

Basis of Accounting

The following summary of significant accounting policies is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the company's management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statement.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Inventories

Inventories are stated at the lower of cost or market, cost is determined using the first in, first out method. Inventories are periodically reviewed by nanagement for slow moving and obsolescence, and reserves are established, if required. No inventory reserves were recorded as of December 31, 2021.

Revenue Recognition

The Company is in a development stage and no revenue was recognized for the reporting period.

Favor 46, Inc.
(A California Corporation)

NOTES TO FINANCIAL STATEMENTS
Ten Months ended December 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and libilities are recognized for the future tax consequences attributible to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The Company recognizes the effect of income tax positions are mesured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company records interest and penalties relating to unrecognized tax benefits, if any, in interest expense and other general and administrative expenses.

New Accounting Pronouncements

In February 2016, the FASB issued Accounting Standards Update ("ASU") 2016-02, Leases, which supersedes existing guidance on accounting for leases in ASC 840, Leases, and generally requires all leases to be recognized in the statement of financial position, ASU 2016-02 was further amended by ASU 2017-13, ASU 2018-01, ASU 2018-10, ASU 2018-11, ASU 2018-20, ASU 2019-01, and ASU 2019-10. The new quidance amends the recognition of lease assets and lease liabilities by leassees for those leases classified as operating leases and amends disclosure requirements associated with leasing arrangements. The provisions of ASU 2016-02 and related further updates are effective for reporting periods beginning after December 15, 2021; early adoption is permitted. The provisions of these ASUs are to be applied using a modified retrospective approach. The Company is currently evaluating the effect that these ASUs will have on its financial statements.

Advertising Expenses

The Company's adevertising costs are expensed as incurred. For the year ended December 31, 2021, no advertising cost was incurred.

Property and Equipment

Property and equipment, including renewals and betterments, are stated at historical cost. Cost of renewals and betterment that extend the economic useful lives of the related assets are capitalized. Expenditures for ordinary repairs and maintenance are charged to expense as incurred. Depreciation is computed over the estimated useful life of the respective asset under the straight-line method. The usuful lives of assets are as follows:

	Useful lives
Computers	3 years
Furniture and Fixtures	5 - 7 years

Favor 46, Inc.
(A California Corporation)

NOTES TO FINANCIAL STATEMENTS
Ten Months ended December 31, 2021

NOTE 2: CASH & CASH EQUIVALENTS

Cash and cash equivalents as of reporting date was as follows:

Cash in bank - Bank of Hope (Checking)	$	240,937
Total cash & cash equivalents	$	240,937

NOTE 3 - OTHER CURRENT ASSETS

Other current assets as of reporting date was as follows:

Advance Payment	$	41,205
Due from Affiliate		1,552
Food Inventory		9,647
Total other current assets	$	52,404

NOTE 4 - PROPERTY AND EQUIPMENT -NET

Property and equipment as of reporting date consist of the followings:

Property and Equipment	$	3,966
Total property and equipment		3,966
Less: Accumulated depreciation		342
Total property and equipment - net	$	3,624

NOTE 5 - OTHER ASSETS

On April 22, 2021, the Company entered into a master franchise agreement with GN Food (Seoul Korea). Under the agreement the Company was granted for the right to open and operate Goobne Chicken Restaurants in Los Angeles county and Orange county. The Company has the right to operate for the initial term of 10 years.

Investment in Store - Fullerton	$	17,500
Investment in Store - Torrance		10,000
Less: Investment Loss - Torrance		1,773
Total Investment in Stores		25,727
Master Franchise Fee Paid (for 10 years) - Net of amortization		94,167
Security Deposits - Office		1,451
Total	$	121,345

Favor 46, Inc.
(A California Corporation)

NOTES TO FINANCIAL STATEMENTS
Ten Months ended December 31, 2021

NOTE 6 - INCOME TAXES

The Companu's effective tax rate differs from the federal statutory tax rate of 21% primarily due to state income taxes; certain expenses, such as entertainment, fines, and pernalties not deductible for tax purposes; and change in valuation allowance for the year ended December 31, 2021.

As of December 31, 2021, gross net operating loss (NOL) carryforward fot federal income tax purpose of $140,076 is available as deductions for future taxable income of such jurisdiction.

On December 22, 2017, the US government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act eliminates the NOL carryback period and makes the carryforward indefinite. For State of California, the Company has gross NOL amount of $138,730.

In assessing the realization of the deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. Due to the no previous history of pretax book income/loss, management believes it is more likely than not the Company will not realize the benefit of these deductible differences, and full valuation allowance is recorded. The underlying assumptions used in forcasting future taxable income require significant judgement and take into account the Company's recent performance.

The tax effects of temporary differences that give rise to deferred tax assets at December 31, 2021, are as follows:

Deferred tax assets		
Net operating loss carryforwards	$	140,076
Valuation Allowance		(140,076)
Net Deferred tax assets	$	-

NOTE 6 - RELATED PARTY TRANSACTIONS

Except noted in capital contribution note 7 below, there is no other related party transactions.

NOTE 7 - SHAREHOLDER'S EQUITY

As of reporting date, shareholders contributed cash $550,000 for 55,000 common stocks.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

The Company entered into one year lease contract of office on June 14, 2021 with commencement date of July 15, 2021.

The future minimum lease payments are as follows:

No later than one year	$	10,157
Later than 1 year and no later than 5 years		-
Later than 5 years		-
Total	$	10,157

Favor 46, Inc.
(A California Corporation)

NOTES TO FINANCIAL STATEMENTS
Ten Months ended December 31, 2021

NOTE 9 - SUBSEQUENT EVENTS

Management of the Company has evaluated material events or transactions subsequent to December 31, 2021 through February 25, 2022, the date of issuance of audited financial statements of the Company, and determined that there was no material subsequent event that would be reported in the financial statements.

EXHIBIT "C"

FRANCHISE AGREEMENT REQUEST FORM

Prospective Franchisee desires to develop and operate one or more franchised Goobne Chicken Restaurants ("Restaurant") from Favor 46, Inc. ("Franchisor") or ("Goobne Chicken") and hereby agrees and represents as follows:

1. Non-Refundable Deposit: Concurrently with execution of this Request Form, Prospective Franchisee shall pay Goobne Chicken a nonrefundable deposit of One Thousand Dollar ($1,000.00) (the "Deposit") in consideration for Goobne Chicken's preparation of the requested Franchise Agreement ("Agreement"). If the parties executed the Agreement within thirty (30) business days of Prospective Franchisee's receipt of the Agreement, Goobne Chicken shall apply the Deposit toward payment of the Initial Franchise Fee required under the Franchise Agreement.

2. Type of Agreement: **FRANCHISE AGREEMENT**

3. Entity/Individual Name:____

4. Date of Incorporation or Date of Organization: __________________________________

5. Interest Holder re Entity:

Name	Address/Email Address/Phone Number	Ownership Interest (%)

6. Guarantor(s):____

7. Franchise Fee: ______________________________ Royalty Rate:___________________________

8. Franchise Agreement:

a. Location Approval Date: ____

b. Anticipated Opening Date: ____

c. Restaurant address: ____

d. Protected Area:____

IN WITNESS WHEREOF, Prospect has executed this Request as of the ________ day of _________________, 20____.

PROSPECTIVE FRANCHISEE:

____

By:____

Print Name:_ ________________________________

Title:____

EXHIBIT "C"

EXHIBIT "D"

FRANCHISE AGREEMENT

THIS **FRANCHISE AGREEMENT** (the "Agreement") is made by and between FAVOR 46, INC., a California corporation ("Company") and ________________________ ("Franchisee") (collectively "Parties") as of the ("Effective Date") with reference to the following facts.

RECITALS

A. Company owns the right to use a distinctive system (the "Goobne System") for the establishment, operation and promotion of quick-service restaurants featuring, among others, oven-roasted chicken with signature spices and sauces utilizing a uniform operating method, proprietary information, and trade secrets developed and licensed by or for Company ("Goobne Chicken Restaurant").

B. Company has the right to the names Goobne and Goobne Chicken and to other distinctive marks, logos and commercial symbols which identify Goobne Chicken Restaurants (collectively referred to as the "Goobne Marks").

C. Company maintains high standards of quality, appearance and service, which the public identifies with Goobne Chicken Restaurants and the Goobne Marks.

D. Franchisee desires to obtain a franchise and license to use the Goobne System and the Goobne Marks in the operation of a Goobne Chicken Restaurant, and Company is willing to grant a license to Franchisee on the terms set forth in this Agreement.

NOW, THEREFORE, the Parties agree as follows:

1. APPOINTMENT

1.1. Grant of Franchise Rights

(a) Company grants to Franchisee, and Franchisee accepts, on the terms and conditions set forth in this Agreement, a franchise and license to use the Goobne Marks and Goobne System in the operation of one (1) Goobne Chicken Restaurant at an approved franchise location ("Franchise Location"). The franchise and license granted specifically apply to the approved Franchise Location. Company grants Franchisee no rights other than the rights expressly stated herein. Franchisee's commercial and business activities conducted pursuant to this Agreement are collectively referred to as the "Franchised Business."

(b) The Goobne System is composed of a variety of elements, designated from time to time by Company and/or its licensor, designed to identify Goobne Chicken Restaurants to the public and to contribute to such identification and its association with standards of quality. The Goobne System includes the use of a uniform identification to distinguish Goobne Chicken Restaurants from other restaurants, including the use of the Goobne Marks; uniform specifications for exterior and interior design and appearance of Goobne Chicken Restaurants; distinct recipes, uniform menu designations, ingredients and food preparation processes, management and training programs, uniform operating methods and procedures, fixtures, furnishings and signage; prescribed menu selections; access to, and use of, Confidential Information defined hereinbelow; advertising, marketing and publicity programs; and customer and community relations programs; and other specifications which now, or in the future, are stated in Company's Systems Manual ("Manual") or are communicated to Franchisee in writing, written documents and in meetings. Company, in its sole discretion, reserves the absolute right to modify the Goobne System from time to time. Franchisee shall receive written notice of all changes implemented by Company in the Goobne System. Franchisee shall implement all changes made in the Goobne System, at Franchisee's sole cost and expense, within a reasonable time or stated deadline after receiving notice of a change.

1.2. Additional Franchise. This Agreement does not grant Franchisee any preferential right, or right of any kind, to acquire any additional franchise. Franchisee acknowledges that granting of an additional franchise is a matter solely at Company's discretion. If Company approves Franchisee's application to purchase an additional franchise, the Parties shall execute the then-current form of Franchise Agreement, which Franchisee acknowledges may be materially different than the terms of this Agreement. Company's approval of Franchisee's application to purchase an additional franchise for a Goobne Chicken Restaurant shall not constitute, or be regarded as precedent for, approval of any other application by Franchisee.

2. FRANCHISE LOCATION; TERRITORY; RESERVED RIGHTS; RELOCATION

2.1. Procedure for Selecting Franchise Location. Following execution of this Agreement, Franchisee shall identify potential location(s) which meet Company's guidelines and submit a written location proposal to Company.

(a) During the location selection process, Franchisee shall report to Company on the status of Franchisee's efforts to identify a suitable location and secure a location for the franchise.

(b) Franchisee's location proposal must include a written location evaluation report discussing the suitability of the location for a Goobne Chicken Restaurant.

(c) Company shall have thirty (30) days following receipt of the completed location proposal to approve the proposed location; Company's failure to give timely notice or response shall constitute disapproval of the proposed location. Company, at its discretion, may terminate this Agreement if the proposed location is disapproved. The location which Company approves shall be the Franchise Location, and the Parties shall then either execute, or be deemed to have completed, **Exhibit "A"** to state the street address of the approved location, which shall then be deemed to be incorporated herein by reference.

(d) Franchisee acknowledges that (i) it is solely responsible for the location selection, (ii) Company's approval of a location that Franchisee proposes does not constitute a guaranty or warranty that a Goobne Chicken Restaurant at that location will be competitive and profitable; such approval suggests only that the Company determined for its own benefit, that the proposed location does not deviate from Company's then-current minimum location proposal guidelines; (iii) Company's location approval does not certify that development of the location according to Company's design standards and construction guidelines will comply with local zoning and building codes; and (iv) Franchisee is solely responsible for complying with all applicable permit requirements for construction and development of the approved location as a Goobne Chicken Restaurant.

(e) Franchisee's Territory is the geographic area located within and including the following boundaries: ____
____ ("Territory")

2.2. Grant of Territorial Rights. Company shall not engage in the following activities in the Territory identified in Section 2.1(e) of the Agreement:

(a) Grant others the right to operate a Goobne restaurant in the Territory.

(b) Operate a Goobne Chicken Restaurant in the Territory.

(c) If Company, in the future, adds a delivery program to the Goobne System, Company agrees not to engage, or permit others to engage, in delivery services of menu items sold at Goobne Chicken Restaurants, to consumers and businesses located within the Territory.

(i) Nothing in or elsewhere in this Agreement prohibits Company from engaging in the following activities in the Territory: (ii) Operating or permitting others to operate restaurants that are not Goobne Chicken branded restaurants, even in Franchisee's Territory; (iii) Selling (or permitting others to sell) any menu items sold at Goobne Chicken Restaurants, or ingredients used to prepare foods sold at Goobne Chicken Restaurants, under the Goobne Marks or under other names, to grocery stores, convenience stores, specialty food stores, and department stores, rail terminals, sports arenas, amusement parks, public parks, theaters, hospitals, mobile units, carts, kiosks, vending machines, selling foods or ingredients located within the Territory.

(d) Franchisee acknowledges that Company, entities related to Company through common ownership, and each of their officers, directors, employees and agents, may engage in any, and every, activity, within or outside of the Territory, which is not expressly prohibited by this Agreement. Except for the restriction stated herein, this Agreement does not limit Company's right to use or license the Goobne Marks or the Goobne System, or to engage in, or license, any other type of business activity, whether similar to or different from the Goobne System.

2.3. Reserved Rights of the Company. Franchisee agrees it has no right to participate, directly or indirectly, in any activity reserved by Company, and no right to object to issuance of franchise rights to others.

(a) Company, in its sole discretion, reserves the right to approve exceptions or deviations from the Goobne System. Franchisee acknowledges it has no right to object to variances granted to others and no claim against Company for failing to enforce standards of the Goobne System against other Goobne Chicken franchisees. Franchisee acknowledges that Company does not intend to grant Franchisee any exception or deviation from the standards of the Goobne System unless, in Company's sole discretion, Company finds exceptional or special circumstances exist justifying such allowance. Company is not required to apply this same standard in determining whether to grant exceptions or variances to others. Any exception or deviation granted by Company must be in writing and executed by Company in order to be enforceable.

2.4. Franchisee Relocation. Relocation may be allowed only in the following circumstances:

(a) If the Parties mutually believe relocation will increase the business potential of the franchise, Franchisee shall relocate its Goobne Chicken Restaurant to a new location selected by Franchisee, and approved by Company, according to Company's then-current location selection procedures provided to Franchisee in writing.

(b) If the existing location is destroyed, condemned or otherwise rendered unusable.

(c) If the relocated premises are not in Franchisee's original Territory, a new Territory shall be discussed and determined according to the procedures applicable to designation of the original Territory. The relocated premises shall be constructed and equipped according to the then-current appearance and design standards and equipment specifications which apply to new Goobne Chicken Restaurants. All costs and expenses relating to relocation, construction and build-out of new premises shall be the sole responsibilities of the Franchisee.

(d) Franchisee shall complete relocation according to the requirements of this Agreement without interruption in the continuous operation of Franchisee's Goobne Chicken Restaurant unless agreed otherwise in writing.

3. USE OF THE GOOBNE SYSTEM AND GOOBNE MARKS

3.1. Ownership of Goobne System and Goobne Marks.

(a) Franchisee is prohibited from contesting validity, or Company's ownership and/or contractual right, of any of the Goobne System or Goobne Marks, or assist any other person to contest the validity, or Company's ownership and/or contractual right, of such property rights, during the term of this Agreement or any time after the Effective date of Termination or after an assignment or transfer as described in Section 12.

(b) Company does not guaranty that any particular improvements or additions will be added to the Goobne System. Any improvements or additions which Company makes to, or which become associated with the Goobne System, including, without limitation, ideas suggested or initiated by Franchisee or other Goobne Chicken franchisees, as well as all data Franchisee collects, creates, provides or otherwise develops is, and will be, owned exclusively by Company, and shall benefit, and become, the exclusive property of Company.

3.2. Use of Goobne Marks

(a) Franchisee shall use the designated Goobne Marks as the sole identification of its Goobne Chicken Restaurant, but shall clearly and conspicuously identify Franchisee as the independent owner of its Goobne Chicken Restaurant in the manner prescribed by Company. Franchisee shall not use any of the Goobne Marks, or any part thereof: (i) if an entity, in Franchisee's corporate or entity name, or with any prefix, suffix or other modifying words, terms, designs, colors or symbols, (ii) in any modified form, (iii) in connection with the sale of any unauthorized services or products, or (iv) in any other manner not expressly authorized in writing by Company. Franchisee shall not use any of the Goobne Marks in any manner that may result in Company's liability for any debt or obligation of Franchisee. Franchisee shall prominently display the Goobne Marks on signs, menu boards, sales receipts, packaging, uniforms, and other items specified by Company and only according to Company's specification and authorization.

(b) Company reserves the right to modify or discontinue the use of any of the Goobne Marks, including, without limitation, the names Goobne and Goobne Chicken, and to add new names, marks, designs or other commercial symbols to the Goobne Marks, from time to time. Franchisee shall immediately implement, at its sole expense, with Company's directions to modify or discontinue using, or to use new, Goobne Marks within a reasonable time after written notice from Company, and Company shall have no liability to Franchisee for any cost, expense, loss or damage relating to modification and/or discontinuance.

(c) Franchisee shall not use the Goobne Marks in any electronic mail address or in any domain name, nor shall Franchisee create nor maintain a website or advertise on the Internet, or on any other public computer network, using the Goobne Marks.

3.3. Disputes Regarding Goobne Systems or Goobne Marks. Company or Company's licensor shall have the sole right to handle disputes with third parties concerning the Goobne Chicken Marks or the Goobne System.

(a) Franchisee shall notify Company if Franchisee receives notice of any improper use of any Goobne Marks, a third party's unauthorized use of Goobne Marks, or any demand, claim or suit alleging unauthorized use of the Goobne System or Goobne Marks.

(b) Company shall have sole and independent discretion to take such action or no action as it deems appropriate. Franchisee has no right to settle or compromise any claim, suit or demand asserted against it. Franchisee shall collaborate and cooperate with Company and execute documents, in Company's judgment, be advisable in the defense of such demand, claims or suits and to protect Company's rights in the Goobne System and Goobne Marks.

4. TERMS AND RENEWAL

4.1. Term. The term of this Agreement starts on the Effective Date and expires five (5) years from the Opening Date, unless this Agreement is terminated sooner (such five (5) year period is referred to as the "Term").

4.2. Renewal. Franchisee may renew the franchise once, for a term of five (5) years (this optional five (5) year period is referred to as the "Renewal Term" and option to renew is referred to as the "Renewal Option"). Franchisee's right to exercise the Renewal Option is subject to the following conditions:

(a) Franchisee must not be in default under this Agreement at the time Franchisee exercises its Renewal Option by tendering a written notice of renewal. Franchisee must have the ability to keep and/or extend the commercial lease for the Goobne Chicken Restaurant through the Renewal Term.

(b) Franchisee exercises its Renewal Option by giving a written notice of at least twelve (12) months, but not more than eighteen (18) months, before expiration of the Term. The notice must be accompanied by payment of a nonrefundable renewal fee ("Renewal Fee") equal to $20,000.00.

(c) Franchisee is required to provide evidence sufficient to assure Company that Franchisee possesses sufficient financial means to pay for upgrading and remodeling its Goobne Chicken Restaurant and any and all other expenses that is incurred in connection with the renewal process. Franchisee agrees to promptly provide any type of evidencing documents that the Company requests during the renewal evaluation. These documents shall include tax returns, financial statements and bank statements.

(d) Franchisee shall execute a new Franchise Agreement and any ancillary agreements then customarily used by Company. This may be materially different from the original Franchise Agreement. Franchisee shall not be required to pay the initial franchise fee stated therein but shall instead pay the Renewal Fee in the amount of $20,000.00.

(e) As a condition for approval of the Renewal Term, Franchisee shall complete, at its sole expense, all Renovation Changes (defined in Section 7.4) required to conform its physical condition and operating methods to its Goobne Chicken Restaurant to the then-current standards, specifications and requirements of the Goobne System.

4.3. Additional Conditions. Franchisee's failure to complete all steps required by this section shall be deemed an election by Franchisee not to exercise or revocation of the Renewal Option. Franchisee's purported exercise of the Renewal Option shall be ineffective if Franchisee is in default under this Agreement when Franchisee tenders a notice exercising the Renewal Option. Franchisee acknowledges and agrees that the agreements Franchisee may be required to execute to exercise the Renewal Option may contain materially different terms than this Agreement, including, without limitation, increased or additional Royalty, Marketing and other fees.

5. COMMERCIAL LEASE, CONSTRUCTION OF FRANCHISE LOCATION & OPENING DATE

5.1. Lease; Addendum to Lease. Franchisee shall use its best efforts to obtain a commercial lease with a term and a renewal option that match the Term and Renewal Option in this Agreement.

Franchisee shall sign a lease for the Franchise Location and Franchisor's form of Addendum to Lease, concurrently. Franchisee shall deliver to Company a copy of its commercial lease (the "Lease") with landlord of the building where the rented premises is located and the Addendum to Lease, each duly executed by Franchisee and the landlord. The Addendum to Lease form shall be in the form attached to Company's Franchise Disclosure Document ("FDD") delivered to Franchisee. Franchisee acknowledges that (i) it is solely responsible for negotiating the terms of the Lease and (ii) Company is obligated to lease the Franchise Location for Franchisee.

(a) Company may terminate this Agreement if Franchisee fails to deliver to Company, within three (3) months of signing this Agreement a fully executed commercial lease agreement and the Addendum to Lease attached to FDD distributed to Franchisee in conjunction with this Agreement.

5.2. Construction of Franchise Location. Company shall loan Franchisee a copy of Company's Manual, which includes, although it may not be comprehensive, Company's then-current construction and interior and exterior décor guidelines.

(a) Franchisee is fully responsible for construction of the Goobne Chicken Restaurant according to the Manual, including, without limitation: (i) preparing detailed construction drawings tailored to the specific dimensions of the Franchise Location which conform to Company's plans and obtaining Company's approval of such plans; (ii) retaining licensed and bonded contractors and obtaining all contractors' lien waiver(s) for the work performed; (iii) maintaining requisite insurance policies that are specified in the Agreement during the pendency of construction; (iv) ensuring that construction and building out conform to local building codes and obtaining all required government and regulatory approvals and permits, including (without limitation) zoning, parking sanitation, building, utility and sign permits; (v) installing all required equipment, furnishings and signs; and (vi) using best efforts to do everything necessary to complete construction of the Franchise Location and cause the Goobne Chicken Restaurant to open on or before the Opening Date.

(b) Franchisee acknowledges that (i) it will select all contractor(s) to perform construction work and is solely responsible for their acts and omissions, (ii) Company is not responsible for managing or controlling Franchisee's contractor(s) rendering construction services or otherwise, and (iii) Company shall have no liability to Franchisee or to any third party for the acts or omissions of the persons hired or retained by Franchisee to provide construction services.

(c) Franchisee acknowledges that (i) Company shall have no liability to Franchisee or to any third party for any loss or damage arising directly or indirectly from the design or specifications of the Goobne Chicken Restaurant, by reason of Company's approval of Franchisee's plans and specifications, or as a consequence of actual construction or otherwise, and (ii) Company's physical inspection of construction shall not, and is not intended to, certify that construction complies with applicable codes or building requirements or attest to the quality of workmanship.

5.3. Opening Date. The "Opening Date" shall be the date that the Goobne Chicken Restaurant commences to do business with the public, which date shall not be later than one (1) year of the Effective Date. Company may, in Company's sole discretion, extend the Opening Date if Company determines that Franchisee has not fully complied with the terms specified in the Agreement.

6. SERVICES FURNISHED BY COMPANY

Company shall provide the following services:

6.1. Company's Manual and Training Materials. Company will either loan or provide Franchisee electronic or physical access to one (1) copy of Company's Manual for as long as this Agreement is in place.

(a) The Manual shall remain Company's sole property and shall promptly be returned to Company upon request. Franchisee shall treat all information contained in the Manual as confidential, and use all reasonable efforts to keep the information confidential. Franchisee shall not, without Company's prior written consent, copy, scan, duplicate, record or otherwise reproduce the Manual, in whole or in part, or otherwise make it available to any person or entity not required to have access to its contents in order to carry out the functions of his or her employment duties.

(b) The Manual contains both mandatory and recommended specifications, standards and operating procedures for all Goobne Chicken franchisees and information pertinent to the Goobne System and Franchisee's obligations. Among the subjects the Manual and proprietary training materials may cover are operating guidelines, including, but not limited to, construction, location selection guidelines, standard grand opening program. Franchisee shall comply with all mandatory specifications, standards, operating procedures and rules prescribed from time to time by Company in the Manual or otherwise communicated to Franchisee. The mandatory requirements now or hereafter contained in the Manual or otherwise communicated to Franchisee in writing are incorporated to this Agreement by this reference, and a breach of any such mandatory requirement shall constitute a material breach of this Agreement.

(c) Company reserves the right to modify and supplement the Manual, to reflect changes implemented in the mandatory and recommended specifications, standards and operating procedures of the Goobne System. Such modification and/or supplements shall be reflected in the Manual or in other written communications communicated to Franchisee or provided to Franchisee electronically. Franchisee shall immediately conform its operations to such revisions.

(d) Franchisee shall promptly notify Company if any part of its copy of the Manual is destroyed or misplaced. Provided that Franchisee proves to the Company that such loss is not the result of Franchisee's negligent maintenance of the Manual, Company shall furnish Franchisee with the needed replacement copy or portion of the current Manual. Franchisee shall pay Company a replacement Manual fee of $500.00 for each Manual.

(e) Franchisee acknowledges that its substantial compliance with the Manual is critical to Company and other Goobne System franchisees and is essential to protect the Goobne Marks and to maintain the uniform quality of operation throughout the system.

6.2. Equipment and Supplies; Procedures for Selecting Suppliers; Purchasing Assistance. The Manual contains specifications for all equipment, supplies, furnishings inventory and materials required to operate the Goobne Chicken Restaurant, including, but not limited to, identifying particular items by brand name; minimum quantities; minimum performance capability; appearance and design; taste, weight, and nutritional components. Company may modify and/or supplement specifications, in its sole discretion, at any time, without the consent of Franchisee. Franchisee will have a reasonable time to adopt each modification and/or supplement and may be required to cease using discontinued items and replace them with items meeting newly made specifications. Franchisee is solely responsible for installing and maintaining all equipment, supplies, furnishings and materials required to fully implement the proposed modifications and supplements.

(a) Company reserves the right to require that all Goobne Chicken franchisees purchase designated food products, ingredients, spices, cooking equipment, software, or other goods or services (collectively referred to as "Required Goods/Services") from specific suppliers whom Company designates. Required Goods/Services may in some cases include items that are Company's or its licensor's proprietary trade secrets or are otherwise specially fabricated according to Company and/or its licensor's specifications. Company shall identify the Required Goods/Services and designated suppliers in the Manual or otherwise by notice in writing. Company shall have the right to charge a markup on proprietary and non-proprietary goods purchased by Franchisee from Company and to revise the pricing from time to time.

(b) Except for Required Goods/Services specified herein, Franchisee is not precluded from purchasing all other items (collectively referred to as "Non-Required Goods/Services") required to operate the Goobne Chicken Restaurant from any recommended or approved supplier.

(c) Company shall disclose a list of recommended suppliers to the Franchisee upon request. Company reserves the right to modify and/or supplement the list of Required Goods/Services, required suppliers, or recommended suppliers from time to time in its discretion, including, without limitation, expanding the list of Required Goods/Services and withdrawing or revoking its approval of any supplier, at any time with and/or without notice. Franchisee shall not place any new order for any item or with any supplier after receiving written notice of changes in the item's specifications or that Company's approval of the supplier has been withdrawn or revoked.

(d) To obtain approval to purchase any brand or items of equipment, supplies, materials, furnishing or inventory not currently approved by Company, Franchisee shall submit a written request with supporting information which may include the samples of the item for examination and/or testing and information, any information supporting the proposed supplier's financial stability, business reputation and general business credit rating. Company may impose a charge to cover its costs of inspecting or testing any item, including expenses to visit the proposed supplier's headquarters or production facility, for lab testing, or other direct costs, which must be paid before inspection or testing commences. Company will evaluate not only the quality and conformity of the item sought to be purchased from the proposed supplier, but also the proposed supplier's reputation and delivery capabilities.

(i) Company will notify Franchisee in writing within ninety (90) days after all requested information is received and inspection or testing is completed if Company approves the proposed item and/or supplier. No response from Company should be deemed as denial of Franchisee's request.

(e) Company will, from time to time, independently negotiate with suppliers that sell goods to entities which are related to Company and own Goobne Chicken Restaurants to extend identical pricing benefits to Goobne Chicken franchisees.

6.3. Initial and Continuing Training Program. Company will provide an initial training program prior to the Opening Date. Company shall not charge a training fee for providing the initial training program, however, a fee will be charged for the additional training program whether it is requested by the Franchisee or by the Company. The Company may require the Franchisee to participate in the additional training program only if good cause is warranted.

(a) All training courses shall be conducted at Company's headquarters, at one or more operating Goobne Chicken Restaurants, or such other locations designated by Company.

(b) Company may change its training programs at any time with prior notice.

6.4. Marketing Funds. Company will develop advertising and promotional materials designed to heighten the reputation and identity of the Goobne Marks and Goobne Chicken Restaurants through the application of the Marketing Fund (the "Marketing Fund"). Company may develop such advertising and promotional materials using in-house personnel and/or outside advertising agencies and vendors. The Marketing Fund is solely financed through the Marketing Fees contributed by the Goobne Chicken franchisees.

(a) Company has the right to use the Marketing Fund to meet all costs of maintaining, administering, directing and preparing advertising and promotional programs for the purposes herein identified, and for public relations, branding programs, testing of products, promotions and advertising and market research. No restrictions are imposed on Company's ability to use the Marketing Fee for these purposes. In other words, the Company retains complete discretion over the time, place and manner of how all advertising fees are paid from the Marketing Fees. Company makes no representation that any amount of the Marketing Fee will be spent in any given geographic region, that monies will be spent on advertising, marketing or promotional activities which are general in scope, or that monies will be spent in Franchisee's market area in proportion to Franchisee's contributions to the Marketing Fee.

(b) Company will prepare an annual accounting of the Marketing Fee, and will furnish a copy of it to the Franchisee upon written request. Company may reimburse itself for actual administrative costs to manage the Marketing Fee, in an amount per annum which will not exceed 10.00% of aggregate contributions to the Marketing Fee for that year.

6.5. Inspections. Franchisee authorizes Company, during business hours, and with or without prior notice to Franchisee, to enter Franchisee's Goobne Chicken Restaurant and conduct inspections of Franchisee's Goobne Chicken Restaurant and its methods of operation, including, but not limited to, observing and conducting discussions with Franchisee's employees and reviewing Franchisee's books and records (including, without limitation, data stored on Franchisee's onsite computer and cloud-based storage) to verify compliance with this Agreement and the Manual. Franchisee shall cooperate with Company's inspections and promptly cure any and all non-compliance whether an oral or written notice is issued by the Company after the inspections.

6.6. Terms of Purchase and Sale

(a) Company may add additional terms in an invoice or purchase order or other sales document. Those terms shall supplement the terms in this section. In case of any conflict, the terms contained in the invoice, purchase order or other sales document control.

(b) Company may stop selling and/or delivering any or all goods and/or services to Franchisee if any payment due to Company is past due. Franchisee acknowledges that this action may significantly impact Franchisee's business operation because, among other things, Company's decision to stop selling and/or delivering goods does not excuse Franchisee from the obligation to comply with this Agreement and all aspects of the Goobne System, and does not waive or modify other remedies for Franchisee's failure to pay on time.

(c) Company warrants only that the goods sold to Franchisee will be free from material defects. This is the sole warranty regarding the goods sold. This warranty does not cover and Company shall not be responsible for any damage caused by or resulting from (i) something other than a processing or manufacturing defect; (ii) accident, negligence, misuse, abuse, improper storage, outside force that damages the product, or failure to follow care or handling or storage instructions for the product; or (iii) any reason during shipment of the product.

(d) Franchisee's receipt of goods is an unqualified acceptance of the goods, including quantity, quality and all other attributes, and a waiver by Franchisee of any and all claims regarding those goods unless Franchisee timely delivers written notice to Company detailing the nature of Franchisee's claim, within three (3) days after receipt of the goods for quantity or other visible defects; and within ten (10) days after receipt of goods for latent defects.

(e) If Company breaches the warranty, then Company will have the option to (i) accept return of the goods and issue Franchisee a credit for the applicable portion of the price paid (ii) replace the goods, or (iii) where applicable, repair the goods, or (d) refund the purchase price paid for that portion of the goods which are defective, or refund a reasonable portion of the purchase price based on the nature of the defect and the portion of the goods affected. The option selected by Company is Franchisee's sole and exclusive remedy for breach of warranty.

(f) COMPANY SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, UNDER ANY CIRCUMSTANCES, WHETHER BASED ON CONTRACT OR TORT, OTHER PERSONAL INJURY, OR ANY OTHER INJURY OR DAMAGE.

(g) IN ANY EVENT, COMPANY'S MAXIMUM LIABILITY WHETHER RESULTING FROM BREACH OF CONTRACT, OR NEGLIGENCE OR OTHERWISE SHALL NOT EXCEED THE PAYMENT MADE BY THE FRANCHISEE.

(h) Franchisee shall pay or reimburse Company (Franchisor's option) all taxes and/or charges that Company may be required to pay, whether for Franchisee or for its own account, to any government authority on the sale, production or transportation of goods Franchisee buys from Company. Company is entitled to reasonable attorney's fees and costs incurred in enforcing its right with respect to this section.

7. ADDITIONAL OBLIGATIONS OF FRANCHISEE

7.1. Management

(a) Franchisee shall devote full time and attention to supervising all administrative and operational activities of the Goobne Chicken Restaurant. If Franchisee is not an individual, the owner of a Controlling Interest of the equity or voting interests of Franchisee must devote full time and attention to such activities.

7.2. Restriction of Operations

(a) Franchisee shall (i) use all materials, ingredients, food products, supplies, paper goods, uniforms, furnishings, signs, equipment, and methods of food preparation, delivery and services specifically prescribed by Company or which conform to its specifications and standards, and (ii) conduct its Goobne Chicken Restaurant in accordance with the operational standards and specifications established by Company and set forth in the Manual or in training materials or otherwise communicated to Franchisee, as such standards and specifications may be revised in the future by Company in its discretion. Franchisee shall not use any materials, ingredients, food products, supplies, paper goods, uniforms, furnishings, signs, equipment, or methods of product preparation, delivery or services: (iii) which have not been approved by Company in writing as meeting its specifications and standards; and/or (iv) in or from any location outside the Goobne Chicken Restaurant, except with Company's prior written consent.

(b) Franchisee shall offer for sale all of the food and menu items expressly approved for sale by Company in writing, and only those items, and not offer for sale, or sell, directly or indirectly in conjunction with the Goobne Marks, any other products. Franchisee shall label and identify all products offered for sale by the same name or designation given to them by Company.

(c) Franchisee shall maintain at all times a sufficient supply of, among others, food products, ingredients, supplies, materials, and paper goods, in order to meet customer demand.

(d) Franchisee shall not sell any product for consumption off the premises of its Goobne Chicken Restaurant, except for delivery and take-out orders packaged in authorized containers, unless Company's written consent is first obtained.

(e) Franchisee shall, at its own expense, immediately correct any unhealthy, unsanitary or unclean condition at Franchisee's Goobne Chicken Restaurant immediately after being notified either orally or in writing of its existence by Company or any local and/or national Health Department. The term "Health Department" includes all governmental units, however designated, which address the health, safety, sanitation, physical access, environment, or activities conducted at the Goobne Chicken Restaurant which concern or affect the welfare of employees or customers of the Goobne Chicken Restaurant. At times, without Franchisee's consent, Company has the option to correct the cited condition in which case, Franchisee agrees to fully reimburse Company for all of the fees and cost incurred in connection therewith.

(f) Franchisee shall not, directly or indirectly, maintain a World Wide Web site or other presence on the World Wide Web using the Proprietary Marks, or advertise on the World Wide Web or on any other type of public computer network.

(g) At Franchisee's expense, Franchisee shall maintain an electronic communications system meeting Company's minimum requirement for purposes of transmitting to Company, electronically, financial reports, sales data and other operating information which Company requires, enables the Parties to engage in electronic communication, and allows Company to have continuous on-line remote access to Franchisee's point-of-sale system, including sales data.

(h) Franchisee shall respond promptly to customer complaints and shall continue such response until the matter is fully resolved to the reasonable satisfaction of the Customer and Company.

(i) Franchisee shall respond to each and all communications from Company that request a response. Failure to do so constitutes good cause for termination of this Agreement.

7.3. Staffing. Franchisee shall employ a sufficient number of qualified employees and ensure that they are sufficiently trained on all aspects of Goobne Chicken Restaurant operations. Franchisee is solely responsible for hiring, managing, terminating and establishing employment policies for employees that are compliant with federal, state, and local labor and employment laws. Franchisee acknowledges that this Agreement does not impose any controls, or otherwise impinge, on Franchisee's discretion to make all employment-related decisions. Franchisee further acknowledges that Franchisee's employees are not Company's employees, contractors or agents and Company shall not be construed nor deemed a joint and/or mutual employer of Franchisee's employees, contractors and/or agents.

(a) Franchisee agrees to fully indemnify Company and its affiliates from any and all alleged claims and/or violations asserted by both individual(s), business and governmental entities relating to this section.

7.4. Repairs and Maintenance, Renovation.

(a) Franchisee shall, at its own expense, repair and maintain the interior and exterior of its Goobne Chicken Restaurant in the highest degree of cleanliness, orderliness and repair in conformity with the standards, specifications and requirements of the Goobne System, and as Company may from time to time direct.

(i) Franchisee shall promptly replace any item which becomes damaged, impaired and/or worn to the extent that it no longer adequately performs the functions for which it was originally intended.

(ii) All replacement items shall be of the same type, model and quality then specified in the Manual at the time replacement is required and subject to Company's approval.

(iii) While Franchisee's failure to repair or maintain its property or correct any unauthorized variance from the requirements of the Goobne System constitutes a material default, Company may, without waiving its right to terminate this Agreement for such reason, repair or correct the cited and non-cited non-conformance. To the extent Company elects to perform required repair or maintenance work, Franchisee shall pay any and all expense incurred.

(iv) Additionally, Franchisee shall, at its own expense, within three (3) months following written notice from Company, renovate, remodel, replace and otherwise conform its Goobne Chicken Restaurant to changes and modifications implemented and prescribed by Company, from time to time, in the physical appearance and design standards of Goobne Chicken Restaurants. These may include, but are not limited to: structural modification, changes in interior and exterior design, decoration and appearance. Franchisee shall be required to make these changes upon notice by the Company at least once during the original Term, and as a condition of the exercise of the Renewal Option or any transfer. Company reserves absolute discretion to determine whether a particular renovation, remodeling and/or replacement is needed at any given point in time.

7.5. Advertising

(a) Franchisee shall not disseminate, transmit, broadcast or publish any advertisement using the Goobne Marks or promoting Franchisee's Goobne Chicken Restaurant without first obtaining Company's written approval of the copy and proposed media or method of distribution of such advertisement.

The term "advertisement" is used in its broadest sense to include, without limitation: (i) any written or printed communication or any communication by means of an email writing, television, radio, website, YouTube or similar communication media, (ii) any promotional items or promotional or publicity event, or (iii) the use of any of the Goobne Marks on displays, signs, merchandise or other tangible personal property.

(b) To apply for Company's approval, Franchisee shall submit a true and correct copy, sample or transcript of the proposed advertisement in writing.

7.6. Compliance with Laws. Franchisee shall operate its Goobne Chicken Restaurant in strict compliance with all applicable laws, ordinances and regulations, including, but not limited to, those relating to health and sanitation, packaging and labeling of food products; workers' compensation; unemployment insurance; withholding and payment of Federal and State income taxes and social security taxes; privacy laws; collection and reporting of sales taxes; and the American with Disabilities Act ("ADA"). Franchisee shall secure and maintain in good standing all necessary licenses, permits, deposits and certificates required to operate, and shall provide Company with proof of compliance promptly following Company's request. Franchisee shall comply with all menu board labeling laws and rules requiring restaurant operators to disclose certain calorie or other nutritional information about the goods they sell, including, for example, the FDA's rule titled Nutrition Labeling of Standard Menu Items in Restaurants and Similar Food Establishments.

7.7. Credit Cards. Franchisee shall honor all credit cards including, but not limited to, VISA, Mastercard, Amex, by Company and enter into all necessary credit card agreements with these issuers and pay all fees and costs incurred therewith.

7.8. Records Retention & Sharing. Franchisee shall submit to Company all customer complaints and notices and communications received from any governmental entities including Health Departments.

7.9. Business Operating Hours. Franchisee shall operate its Goobne Chicken Restaurant on all of the normal business days including the holidays unless Company's prior written approval of different days or hours has been obtained.

7.10. Insurance. Franchisee shall procure before the opening of its Goobne Chicken Restaurant, at its expense, and maintain in full force and effect during the term of this Agreement, policies of insurance in accordance with the following terms and conditions.

(a) Comprehensive or Commercial General Liability Insurance, including coverage for bodily injury, personal injury, products liability, contractual liability, broad form property damage, non-owned automobiles, and completed operations and property damage on an occurrence basis with policy limits of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate, or such higher amount as may be required by the master lease of the Franchise Location, insuring Company and Franchisee against all claims, suits, obligations, liabilities and damages, including attorneys' fees, based upon or arising out of actual or alleged personal injuries or property damage resulting from, or occurring in the course of, or otherwise relating to Franchisee's Goobne Chicken Restaurant or the activities of Franchisee's employees. The required liability coverage shall not be limited in any way by reason of any insurance which Company may maintain. Company shall be named an additional insured on each such policy.

(i) Workers' compensation insurance as required by applicable law.

(ii) General casualty insurance, including fire and extended coverage, vandalism and malicious mischief insurance for the full replacement value of the Goobne Chicken Restaurant and its contents, based on the cost of replacing the damaged or destroyed property with property meeting Company's then current specifications at the time replacement is required.

(iii) In connection with any construction, renovation or remodeling work performed by Franchisee, Franchisee shall maintain Builder's All Risk insurance covering the completed value of the construction, and performance and completion bonds in form and amounts acceptable to Company.

(iv) Data theft and cybersecurity coverage in form and amounts acceptable to Company.

(v) Employment practices liability insurance with a co-defendant endorsement in Company's favor.

(vi) Company may from time to time increase the minimum insurance requirements, establish and change deductible limits, require Franchisee to procure and maintain additional forms of insurance, and otherwise modify the requirements set forth in this section based upon inflation, Company's experience with claims, or other commercially reasonable reasons. Franchisee shall comply with any change imposed by Company upon written notice from Company setting forth the required change, and shall submit written proof of compliance to Company upon request.

(vii) Each insurance policy required by this Agreement shall be written by insurance companies that are recognized nationally, carrying a grade of A or better from S&P or Moody's. Prior to the date equipment is installed in the Franchise Location, or by the date specified in the master lease, if earlier, Franchisee shall submit to Company certificates of insurance showing compliance with Company's insurance requirements.

(viii) Franchisee shall cause each policy of insurance required by this Agreement to include a waiver of subrogation, which shall provide that Franchisee and Company each releases and relieves the other, and each waives its entire right to recover damages, in contract, tort and otherwise, against the other for any loss or damage occurring to Franchisee's property arising out of or resulting from any of the perils required to be insured against under this section. The effect of such releases and waivers by Company and Franchisee shall not be limited by the amount of insurance carried by Franchisee or required by this Agreement or by any deductible applicable thereto.

(ix) Should Franchisee not procure or maintain the insurance coverages required by this Agreement, Company may, without waiving its right to declare a breach of this Agreement based on Franchisee's default, procure such insurance coverage at Franchisee's expense, although Company has no obligation to do so. The cost of obtaining such insurance shall be payable in full upon receipt of demand.

7.11. Confidential Information

(a) "Confidential Information" includes, but is not limited to, any information of knowledge concerning ingredients, recipes and food preparation processes; methods, specifications, customer data, pricing and cost data, procedures, information systems and knowledge in the operation of Goobne Chicken Restaurants; the methods for constructing, and operating a Goobne Chicken Restaurant; knowledge of pricing, sales and profit performance at Goobne Chicken Restaurants; information provided in the Manual and/or training materials; knowledge of sources and suppliers of goods, services, equipment, fixtures, furnishings and other items used in operating Goobne Chicken Restaurants whether it is now known or exists or hereinafter is acquired.

(b) Company will disclose Confidential Information to Franchisee by furnishing Franchisee with the Manual, information provided in the Manual and/or training materials, and otherwise through the performance of Company's obligations and the exercise of its rights under this Agreement. Franchisee shall acquire no ownership nor beneficial interest in the Confidential Information unless otherwise specified in this Agreement.

(c) Franchisee's unauthorized use, publication or duplication of the Confidential Information constitutes grounds for termination of this Agreement. Franchisee agrees to: (i) safeguard the Confidential Information, (ii) confine disclosure of the Confidential Information to those of its employees and agents, and (iii) implement procedures to prevent the unauthorized use, publication or disclosure of the Confidential Information including, without limitation, requiring that employees who have access to Company's Confidential Information enter into a confidentiality agreement.

All agreements contained in this Agreement pertaining to the Confidential Information shall survive the expiration, termination or Franchisee's assignment of this Agreement.

7.12. Agreements Regarding Competition: In-Term

(a) This section applies to the activities of each Covered Person defined hereinbelow anywhere in the world throughout the Term and any Renewal Term of this Agreement; provided, however, in no event shall the restrictions stated in this section apply to any Covered Person after two (2) years from the date the Covered Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Franchisee.

(b) "Covered Person" shall refer to (i) the individual executing this Agreement as Franchisee, if Franchisee is a natural person; (ii) each officer, director and shareholder of a Franchisee that is a profit corporation; (iii) each member and manager of a Franchisee that is a Limited Liability Company; (iv) each trustee and person who owns any interest in the equity or voting interests of a Franchisee that is another form of entity; (v) each general partner of a Franchisee that is a partnership; and (vi) each member of Franchisee's or any of the foregoing individual's immediate family.

(c) During the time period and within the geographic area described in this section, it shall be a breach of this Agreement for any Covered Person, directly or indirectly, to own, engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any restaurant which predominantly serves menu items such as fried chicken (whole or wings or by pieces), marinated/sauced chicken or oven-roasted chicken or any business which manufactures, markets, distributes or sells Korean fried and/or oven-roasted chicken food items.

(d) Within the geographic area described in this section, it shall be a breach of this Agreement for any Covered Person to use, in any manner whatsoever, the Goobne Marks, Confidential Information, or any other materials, methods, procedures or techniques associated with the Goobne System; engage in any conduct or activity not related to the franchise and license granted to Franchisee or suggest or imply that Company is associated with, or authorizes, such other activity; induce any other person to engage in conduct proscribed in this section; or divert customers away from any Goobne Chicken Restaurant.

7.13. Agreements Regarding Competition: Post-Term

(a) This section applies to each Covered Person throughout the two (2) years following the expiration or termination of this Agreement for any reason provided, however, in no event shall the restrictions stated in this section continue to apply to any Covered Person after two (2) years from the date the Covered Person ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated with Franchisee.

(b) This section applies to each Covered Person's activities conducted anywhere within a radius of twenty-five (25) miles from: (i) the Franchise Location, and (ii) any other Goobne Chicken Restaurant (regardless of whether the Goobne Chicken Restaurant opens before or after the Effective Date, or is opened by another franchisee or Company).

(c) During the time period and within the geographic area described in this Agreement, it shall be a breach of this Agreement for any Covered Person, directly or indirectly, to own, engage in or render any services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any restaurant which predominantly serves menu items such as fried chicken (whole or wings or in pieces), marinated/sauced chicken or oven-roasted chicken or any business which manufactures, markets, distributes or sells Korean fried and/or oven-roasted chicken food items.

(d) Within the geographic area described in this section, it shall be a breach of this Agreement for any Covered Person to use, in any manner whatsoever, the Goobne Marks, Confidential Information, or any other materials, methods, procedures or techniques associated with the Goobne System; engage in any conduct or activity which suggests or implies that Company is associated with, or authorizes, such activities; induce any other person to engage in conduct proscribed in this section; or divert customers away from any Goobne Chicken Restaurant.

7.14. Additional Agreements Regarding Competition

(a) Franchisee agrees to cause each Covered Person to execute Company's form of Confidentiality Agreement containing restrictions regarding competition that is specified in this Agreement.

(b) Franchisee acknowledges that Company will suffer irreparable injury not capable of precise measurement in monetary damages if its Confidential Information and/or other proprietary information of the Goobne System is obtained by any person, firm or corporation and is used in competition with Company or a Goobne Chicken franchisee, or if Franchisee or any Covered Person breaches the covenants set forth in this Agreement. Accordingly, in the event of a breach of this Agreement by Franchisee or any Covered Person, Franchisee consents to entry of a temporary restraining order or other injunctive relief as well as to any other equitable relief which may be granted by a court having proper jurisdiction. Franchisee further agrees that the award of equitable remedies to Company in the event of such breach is reasonable and necessary for the protection of the business and goodwill of Company.

8. FEES PAYABLE TO COMPANY

8.1. Initial Franchise Fee. In consideration of the franchise and license granted herein, Franchisee shall pay Company, as an Initial Franchise Fee (the "Initial Franchise Fee"), the sum of $35,000.00. The Initial Franchise Fee is fully earned when paid, and no portion is refundable.

8.2. Grand Opening Fee. At least sixty (60) days prior to the opening of a Franchised Restaurant, Franchisee must submit a Grand Opening Marketing Plan to Company outlining Franchisee's proposal for grand opening advertising of the Franchised Restaurant. Franchisee must obtain Company's consent to the Grand Opening Marketing Plan before Franchisee begins to implement it. Franchisee further agrees that the Grand Opening Marketing Plan is performed and/or executed only by and through an outside marketing/advertising agency who is designated by the Company. After Company consents to the Grand Opening Marketing Plan, Franchisee cannot make any substantial changes to the Grand Opening Marketing Plan without Company's advance written consent. Franchisee must, during the period beginning sixty (60) days before the scheduled opening of the Franchised Restaurant and continuing until sixty (60) days after the Franchised Restaurant first opens for business, spend at least $8,000.00 to conduct grand opening advertising under the Grand Opening Plan Fee.

8.3. Royalty Fee. Franchisee shall pay to Company, without offset, credit or deduction of any nature, a Royalty Fee equal to 4.5% of the total Gross Sales of Franchisee's Goobne Chicken Restaurant (the "Royalty Fee"). The Royalty Fee is due and payable each week based upon the Gross Sales of Franchisee's Goobne Chicken Restaurant. Franchisee shall pay the Royalty Fee by automatic bank debit or by such other method, as Company may from time to time direct. Franchisee shall execute the attached ACH Authorization form and designate a business bank account held at a national or state-chartered banks authorizing Franchisor to withdraw royalty and other fees on a regular basis. **Exhibit "D"**

8.4. Gross Sales Defined. "Gross Sales" refer to the total of all sales made by Franchisee at or from the Franchise Location or otherwise pursuant to this Agreement, including, but not limited to, sales made by delivery when permitted by this Agreement and the retail value of all food and other merchandise of any kind sold.

8.5. Marketing Fee; Cooperative Marketing Fee.

(a) Franchisee shall pay to Company a minimum weekly Marketing Fee of 1.5% of the total Gross Sales of the Goobne Chicken Restaurant (the "Marketing Fee"). The Marketing Fee shall be due and payable weekly, together with the Royalty Fee, by check or by such other method, including automatic bank debit, as Company from time to time may direct.

8.6. Late Payment. If Franchisee fails to pay any amount to Company by the date payment is due, Franchisee shall pay (i) a late charge equal to 10% of the amount of the payment due, and (ii) interest on the amount unpaid at the rate of 10% per annum from the date payment was due until the entire sum, late charge and accrued interest is paid in full. Franchisee acknowledges that Franchisee's failure to pay all amounts when due is grounds for termination of this Agreement.

8.7. Gross Receipts or Equivalent Taxes. Franchisee shall pay to Company the amount of any State or local sales, use, gross receipts, or similar tax that Company may be required to pay on payments which Franchisee makes to Company under this Agreement, regardless of whether the State or local tax is imposed directly on Company, is required to be withheld by Franchisee from amounts due to Company under this Agreement, or is otherwise required to be collected by Franchisee from Company.

8.8. Dishonored Item Fee. If any check, ACH debit, electronic funds transfer, credit or wire transfer or other form of payment from Franchisee to Company is dishonored, rejected or for any reason not completed, whether due to insufficient funds, discrepancy in the instrument or instructions, or other reason, then Franchisee shall immediately reimburse any charge that Company's financial institution imposes on Company.

9. BUSINESS RECORDS, ACCOUNTING & AUDIT.

9.1. Maintenance of Business Records. Franchisee shall maintain during the term of this Agreement, complete and accurate business records. Such business records shall be retained by Franchisee for a period of five (5) years during and following, the expiration, termination or Franchisee's assignment of this Agreement.

(a) Franchisee shall submit to Company, among others, periodic reports of Gross Sales, Net Sales and such additional information required by Company.

(b) Franchisee shall furnish to Company, on or before the 5th day of each calendar month, a monthly profit and loss statement and balance sheet, providing information for the preceding calendar month and cumulative information for the calendar quarter and year-to-date. Additionally, Franchisee shall submit to Company within ninety (90) days after the end of Franchisee's fiscal year, or if none, the end of each calendar year, during the Term and any Renewal Term, a profit and loss statement for each Goobne Chicken Restaurant owned by Franchisee and a balance sheet as of the last day of such year.

(c) When requested by Company, all reports submitted to Company pursuant to this Agreement shall be executed by Franchisee or a duly authorized representative of Franchisee, certifying that the information is true and correct and that no material fact has been omitted.

9.2. Recording of Transactions. Franchisee shall record sales of any kind. Franchisee shall exploit a computer terminal or any similar terminal or device, and such other business machine and/or equipment required by Company, and purchase, install and use specified non-proprietary and proprietary software programs, at Franchisee's sole expense, to accurately record all business activities, sales, and inventories, and to prepare operating reports in accordance with Company's uniform standards.

9.3. Audit Rights.

(a) Company and its representatives shall have full access to inspect Franchisee's business records relating to the franchise and activities of Franchisee's Goobne Chicken Restaurant. Such business records shall include, without limitation, Franchisee's federal and state income tax returns and sales tax returns, bank statements, cancelled checks, data stored on Franchisee's computer terminal whether located onsite or offsite, and such other documents and information as Company may in its sole discretion request in order to verify financial information including, but not limited to, Gross Sales reported to Company.

(b) Company or its representatives may access Franchisee's business records stored on Franchisee's computer terminal or at an offsite cloud-based storage at any time, without notice, by remote electronic means. Additionally, Company or its representatives may, at any reasonable time, physically inspect, examine and copy Franchisee's business records. Company may, at its expense, have an independent audit made of Franchisee's business records, at any reasonable time.

(c) If any inspection or audit conducted by Company reveal an understatement in the amount of Gross Sales reported by Franchisee to Company, then Franchisee shall within ten (10) days after notice from Company to pay to Company any additional Royalty Fees and Marketing Fees which are owed, together with late charges and interest as provided in this Agreement.

(d) In addition to the other consequences identified in this section, Company shall have the right to terminate this Agreement if any audit discloses an understatement of actual Gross Sales.

10. DEFAULT AND TERMINATION

10.1. Termination by Franchisee. Franchisee may terminate this Agreement (i) any time prior to the date Company approves the Franchise Location; or (ii) otherwise for reasons constituting good cause. Good cause requires that Franchisee must not be in default of any obligation under this Agreement and that Company has committed a material and substantial breach of this Agreement. In order to terminate this Agreement based upon Company's material and substantial breach, Franchisee must serve Company with written notice of default specifying with particularity the matters cited to be in default, and provide Company with a minimum of a thirty (30) days period to respond to the Franchisee's allegations. Any attempt by Franchisee to terminate this Agreement except on the grounds stated in this Agreement shall be void. In the event of termination by Franchisee for good cause or as otherwise permitted by this Agreement, Franchisee is not entitled to a refund of any portion of the Initial Franchise Fee or of any other monies paid to Company.

10.2. Termination by Company without Opportunity to Cure. Company may terminate this Agreement, in its sole discretion and election, should any one or more of the following event(s) occur, and Franchisee shall have no opportunity to cure a default based on any of the following events:

(a) Should the Parties not agree on the Franchise Location.

(b) Should Franchisee fail to satisfy the conditions for opening within the time period set forth in this Agreement.

(c) Should Franchisee fail or refuse to pay, on or before the date payment is due, any fees or other amounts payable to Company, or any third-party vendor and/or supplier.

(d) Should Franchisee fail to respond to Company's communications, and such default continues without any justification.

(e) Should Franchisee fail to refuse to submit any report or financial statement on or before the date due, and should such default continue.

(f) Should Franchisee lose the right to possession of the Franchise Location due to Franchisee's breach of the commercial lease.

(g) Should Franchisee fail to perform under any other terms and/or conditions in the Agreement, which, by its term(s), cannot be cured or which Franchisee has failed to cure.

(h) Should Franchisee make any general assignment for the benefit of creditors or become a "debtor" as defined in 11 U.S.C. §101 or any successor statute.

(i) Should Franchisee, or any duly authorized representative of Franchisee, make a material misrepresentation or omission in obtaining the franchise rights granted hereunder, or should Franchisee or any officer, director, shareholder, member, manager, or general partner of Franchisee be convicted of or plead no contest to a felony charge or engage in any conduct or practice that, in the reasonable opinion of Company, reflects unfavorably upon or is detrimental or harmful to the good name, goodwill or reputation of Company or to the business, reputation or goodwill of the Goobne System or the Goobne Marks.

(j) Should Franchisee fail to comply with the conditions governing the transfer of rights under this Agreement.

(k) Should an order be made or resolution passed for the winding-up or the liquidation of Franchisee (if a corporation, Limited Liability Company, partnership or other entity) or should Franchisee adopt or take any action for its dissolution or liquidation.

(l) Should Franchisee have received from Company notice(s) of default.

(m) Should Franchisee make any unauthorized use, publication, duplication or disclosure of any Confidential Information.

(n) Should Franchisee abandon or fail or refuse to actively operate its Goobne Chicken Restaurant for any consecutive three (3) days period, unless Franchisee obtains Company's written consent to a closure before Franchisee ceases regular activities whether good cause exists or not.

(o) Should Franchisee materially misuse or make an unauthorized use of any of the Goobne Marks or commit any other act which does, or can reasonably be expected to, materially impair the goodwill or reputation associated with any of the Goobne Marks or the Goobne System.

(p) Should an audit of Franchisee's business records disclose an understatement of actual Gross Sales, or should Franchisee be conclusively presumed to have intentionally underreported actual Gross Sales as provided in this Agreement.

(q) Should Franchisee fail to correct any unhealthy, unsanitary or unclean condition at Franchisee's Goobne Chicken Restaurant within 24 hours after being notified either orally or in writing of its existence by Company or any Health Department, or fail to comply with any other violation of federal, state or local law immediately after notification of non-compliance.

(r) Any act of dishonesty or material misrepresentation by Franchisee to or against Company, suppliers or any government agency, which in the opinion of Company is injurious to the Goobne System and Goobne Marks.

10.3. Termination by Company with Right to Cure. Should Franchisee breach, or refuse to fulfill or perform, any obligation arising under this Agreement not articulated in Section 10.2, or fail or refuse to adhere to any mandatory operating procedures, specification or standard prescribed by Company in the Manual or otherwise communicated to Franchisee, Company may terminate this Agreement, in its sole discretion and election, effective at the close of business thirty (30) days after giving written notice of default cited in the notice. If a default cannot reasonably be cured within thirty (30) days, Franchisee may apply to Company for additional time to complete the cure. The length of the additional cure period, if any, allowed by Company shall be stated in writing signed by Company. If Franchisee does not complete the required cure within the cure period allowed, termination of this Agreement shall be effective at the close of business on the last day of the cure period without further notice from Company.

10.4. Effect of Termination. In any proceeding in which the validity of termination of this Agreement is at issue, Company shall not be limited to the reasons set forth in any notice of default delivered to Franchisee.

10.5. Right to Step In and Operate Restaurant.

(a) Prior to Termination. If Company determines that operation of the Goobne Chicken Restaurant may be in jeopardy or if a default or breach occurs, then in addition to all of Company's other rights and remedies, Company shall have the right, but no obligation, to enter into and operate the Goobne Chicken Restaurant for as long as Company believes necessary or practical. Any decision by Company to do so shall be deemed to be an accommodation to assist Franchisee. Company makes no representation or warranty regarding its ability to operate the Goobne Chicken Restaurant profitably, and Company shall not be responsible for results of operation. Franchisee shall reimburse all of Company's expenses incurred to operate the Goobne Chicken Restaurant pursuant to this section, including but not limited to travel, lodging, meals, and personnel compensation; and shall pay Company, in addition to all other amounts provided for in this Agreement, a management fee equal to $500.00 per day for the period of operation by Company. Company shall have the right to increase this daily rate effective on delivery of written notice to Franchisee. Company shall have the right to cause itself to be paid and reimbursed any or all these amounts from revenues of the Goobne Chicken Restaurant, as well as all other amounts required to be paid under this Agreement.

(b) Post Termination. Company shall have the right, but no obligation, at any time after termination of this Agreement, to enter into and operate the Goobne Chicken Restaurant. Company shall also have the right to communicate directly with Franchisee's landlord and obtain the assignment of the Lease pursuant to the terms of the Addendum to Lease. Franchisee shall not be entitled to any compensation from the Goobne Chicken Restaurant's operation after termination of this Agreement. Alternatively, and in lieu of continued operation of the Goobne Chicken Restaurant, Company shall have the right to step in and de-identify the Goobne Chicken Restaurant if Franchisee fails to do so.

11. RIGHTS AND DUTIES OF PARTIES UPON EXPIRATION OF TERMINATION

11.1. Franchisee's Obligation. Upon Effective Date of Termination, Franchisee must do the following:

(a) Immediately following the Effective Date of Termination or Expiration of this Agreement, Franchisee shall pay all fees and other amounts owed to Company, and to any third party, including, without limitation, late charges and interest on any late payments. Royalty Fees and Marketing Fees shall continue to be due and payable after the Effective Date of Termination or Expiration of this Agreement until the date that Franchisee completes all post-termination obligations required by this Agreement. Additionally, if the termination is based upon Franchisee's default, Franchisee shall pay to Company all damages, costs and expenses, and reasonable attorneys' fees, incurred by Company in enforcing such default and termination.

(b) Franchisee shall cease using and return to Company the Manual and all documents, and all other confidential or proprietary materials provided to Franchisee pursuant to this Agreement, and shall retain no copy or record of any of the foregoing. Continued use by Franchisee of any copyrighted material shall constitute willful copyright infringement by Franchisee.

(c) With respect to the Franchise Location:

(i) If Franchisee subleases the Franchise Location from Company, then in accordance with the terms of the Sublease, termination of the Sublease shall occur concurrently on the Effective Date of Termination or Expiration of this Agreement. Franchisee shall vacate the Franchise Location and surrender possession to Company in accordance with the terms of the Sublease on or as soon after the Effective Date of Termination or Expiration of this Agreement as Company is able to send its employees or representatives to assume day-to-day operations of the Goobne Chicken Restaurant.

(ii) If Franchisee leases the Franchise Location directly from the third-party landlord, Company shall have the right to accept an assignment of the Lease in accordance with the provisions of the Addendum to Lease, in which case, upon notice from Company, Franchisee shall forthwith vacate the Franchise Location, leaving it in good condition and repair with all equipment in good working order. If Company elects not to accept the assignment of the Lease, Franchisee shall modify the physical design and appearance of the Franchise Location, including removing signs and other distinctive physical and structural features identifying restaurants which belong to the Company in a manner acceptable to Company so that the former Franchise Location no longer suggests or indicates a connection with the Goobne System. Such modifications must be completed within ten (10) days after Franchisee receives Company's notice given pursuant to this section;

(d) Franchisee shall execute and deliver a general release, in form satisfactory to Company, of any and all claims relating to this Agreement against Company and its officers, directors, shareholders, employees and agents.

(e) Franchisee shall permanently cease using, in any manner whatsoever, the Goobne Marks, all Confidential Information, all Required Goods/Services, and any other materials, signs, or distinctive features or designs associated with the Goobne System or which suggest or indicate that Franchisee is or was an authorized Goobne Chicken franchisee or continues to remain associated with the Goobne System. Franchisee shall cancel all advertising and promotional activities which associate Franchisee with the Goobne System. Continued use by Franchisee of any of the Goobne Marks shall constitute willful trademark infringement by Franchisee.

(f) Franchisee shall take such action as may be required to cancel all fictitious or assumed name or equivalent registrations relating to its use of the Goobne Marks.

(g) Franchisee shall cease using all telephone numbers and listings used in operating its Goobne Chicken Restaurant, and, if Company directs, either assign such numbers or listings to Company or disconnect such numbers. Franchisee shall furnish Company with evidence satisfactory to Company of compliance with this obligation within ten (10) days after the Effective Date of Termination or Expiration of this Agreement.

(h) Franchisee shall comply with the provisions of this Agreement regarding non-competition and maintaining the confidentiality of Confidential Information.

(i) Franchisee shall keep and maintain all business records pertaining to its Goobne Chicken Restaurant for five (5) years after the Effective Date of Termination or Expiration of this Agreement. During this period, Franchisee shall permit Company to inspect such business records as frequently as Company deems necessary.

11.2. Effective Date of Termination. For purposes of this Agreement, the Effective Date of Termination is the date Franchisee receives notice of a default, or (ii) the last day of the permitted cure period for a default described herein. The Effective Date of Expiration of this Agreement is the last day of the Term.

11.3. Company's Right to Purchase Assets

(a) On termination or expiration of this Agreement, Company shall have the right, but not the obligation, to purchase all, or any, of the physical assets of Franchisee's Goobne Chicken Restaurant at Franchisee's original cost less depreciation or market value of those assets whichever is lesser.

(b) Company may exercise this option by giving Franchisee written notice within ten (10) days after the Effective Date of Termination or Expiration of this Agreement, specifying in such notice the assets it may purchase. Within ten (10) days following receipt of Company's notice, Franchisee shall furnish Company with documentation substantiating its original cost of each item identified by Company.

(c) Within ten (10) days following receipt of documentation, Company shall notify Franchisee of the particular assets it will purchase, and within five (5) days after giving such notice, Company shall pay Franchisee the purchase price, less permitted set offs, and Franchisee shall deliver such assets to Company. Company shall have the absolute right to set off from the purchase price of assets all amounts then due and owing from Franchisee to it under this Agreement.

11.4. Survival of Obligation. All obligations of the Parties that expressly, or by their nature, survive the Effective Date of Termination or Expiration of this Agreement shall continue in full force and effect subsequent to such Effective Date of Termination or Expiration of this Agreement until they are satisfied in full. Franchisee remains fully liable for any and all obligations of its Goobne Chicken Restaurant, whether incurred before, or following, the Effective Date of Termination or Expiration of this Agreement, including, without limitation, obligations arising under this Agreement, or under any other agreement between Franchisee and Company relating to the Goobne Chicken Restaurant, and all obligations owed to third parties including, without limitation, obligations for goods and supplies, salaries to employees, and taxes.

11.5. Third Party Rights; Available Remedies. No person acting for the benefit of Franchisee's creditors or any receiver, trustee in bankruptcy, sheriff or any other officer of a court or other person in possession of Franchisee's assets or business shall have the right to assume Franchisee's obligations under this Agreement without Company's prior consent. Company's right to terminate this Agreement shall not be its exclusive remedy in the event of Franchisee's default, and Company shall be entitled, in its sole discretion and election, alternatively or cumulatively, to affirm this Agreement in the event of Franchisee's default and obtain damages arising out of such breach, injunctive relief to compel Franchisee to perform its obligations under this Agreement and/or to prevent Franchisee from breaching this Agreement, and any other remedy available under applicable law.

12. ASSIGNMENT AND TRANSFER

12.1. Assignment by Company. This Agreement shall inure to the benefit of Company's successors and assigns. Company is free to assign all of its rights under this Agreement to any person or entity, provided the assignee agrees in writing to assume Company's obligations. Upon such assignment and assumption, Company shall have no further obligation to Franchisee.

12.2. Assignment by Franchisee: Franchisee acknowledges that the franchise rights granted to it are personal, and are granted in reliance upon, among other considerations, the individual or collective character, skill, aptitude, attitude, business ability and financial condition and capacity of Franchisee and, if Franchisee is a corporation, Limited Liability Company or other entity, that of its officers, directors, shareholders, managers, members, trustees or owners. Accordingly, Franchisee agrees that Franchisee has no right, by operation of law or otherwise, to sell, assign, transfer, pledge, donate, encumber or otherwise deal with directly or indirectly: (i) any interest in this Agreement, (ii) the right to use the Goobne System or the Goobne Marks granted pursuant to this Agreement, or (iii) all or a significant portion of the other assets of its Goobne Chicken Restaurant or its leasehold rights, unless Franchisee obtains Company's prior written consent, which shall not unreasonably be withheld and shall be subject to the further conditions stated in this section. The foregoing restrictions include, without limitation, transfers due to consolidation or merger, issuance of additional securities representing an interest in the equity or voting interests of Franchisee, an order of dissolution of marriage, death of Franchisee or of the person owning a Controlling Interest (defined below) in the equity or voting interests of Franchisee, creation of a trust, or otherwise, all of which are considered interchangeable events of transfer for purposes of this Agreement. Further, Company, among others, will factor in the following factors in evaluating Franchises' request to assign: qualifications of transferee; reasonable sales price; payment of amounts due; no default on any agreement with us; no default beyond the applicable cure period on any commercial lease, equipment lease or financing instrument relating to the Franchised Restaurant or with any vendor or supplier to the Franchised Restaurant; transfer fee paid; agreements signed; and execution of guarantee under the terms of which you will remain liable for all obligations to us incurred before the transfer date and for one year following the transfer.

(a) If Franchisee is a corporation, Limited Liability Company, partnership or other entity, then the sale, assignment, transfer, pledge, donation, encumbrance or other alienation of (i) more than a 25% interest in the outstanding securities of a Publicly Held Entity, (ii) securities of Franchisee offered pursuant to a transaction which is subject to registration under federal or state securities laws or is offered as a private offering pursuant to a written private placement memorandum of any kind, or (iii) a Controlling Interest in the equity or voting interests of Franchisee which is not a Publicly Held Entity, shall also constitute an assignment, shall not be attempted or consummated unless Franchisee obtains Company's prior written consent, which shall not unreasonably be withheld and shall be subject to the further conditions stated in this section. For purposes of this Agreement, Franchisee is a "Publicly Held Entity" if Franchisee is registered to sell its securities under the Securities Exchange Act of 1934.

(b) "Controlling Interest" means the possession, directly or indirectly, of power to direct, or cause a change in the direction of, the management and policies of Franchisee. A "Controlling Interest" shall be presumed to be transferred if a transfer, either alone or together with other previous, simultaneous or proposed transfers, would have the effect of transferring, in the aggregate, more than 25% of the equity or voting interests in a Franchisee which is a corporation, Limited Liability Company, partnership or other entity; and

(c) Any attempted or purported assignment or transfer which fails to comply with the requirements of this Agreement shall be null and void and shall constitute a default under this Agreement.

12.3. Entity Franchisee. If Franchisee is a corporation, Limited Liability Company, partnership, or other entity, it shall furnish to Company, on execution of this Agreement or at such other time as transfer to the entity is permitted, a copy of its articles of incorporation, by-laws, operating agreement, partnership agreement or other governing agreement, as appropriate, and a list of all persons owning an interest in the equity or voting interests of the entity. Additionally, Franchisee shall provide Company, at least thirty (30) days prior to the adoption thereof, a copy of any proposed amendment to, or change in, such information during the term of this Agreement. Franchisee shall not adopt any such amendment or change that Company objects to. Franchisee shall, immediately on adoption, provide Company a copy of the final version of any amendment or change, and the instrument by which such amendment or change was adopted.

(a) During the Term, each person who now or later owns or acquires, either legally or beneficially, 25% or more of the equity or voting interests of Franchisee must execute Company's form of personal guaranty attached hereto as **Exhibit "D."**

12.4. Death or Incapacity

(a) In the event of the death or incapacity of Franchisee, or any person owning a Controlling Interest in the equity or voting interests of Franchisee, the spouse, heirs or personal representative of the deceased or incapacitated person, or the remaining shareholders, members, partners or owners (collectively referred to as the "Successor") shall have one hundred and eighty (180) days from the date of death or incapacity in which to (i) purchase the interest of the deceased or incapacitated person in the franchise or Franchisee, or (ii) complete the sale of assignment of such interest to a qualified, approved third party, provided, in either case, the purchase or assignment complies with all of the terms and conditions for assignment stated in this Agreement.

(b) During the period that the Successor operates Franchisee's Goobne Chicken Restaurant, the Successor shall perform all of the obligations of Franchisee under this Agreement. At the end of the one hundred and eighty (180) days period, if the Successor has not purchased the franchise or obtained Company's consent to an assignment to a third party, Company may, at its election, terminate this Agreement.

(c) For purposes of this Agreement, the term "incapacity" means an inability due to medical reasons to devote full time and attention to the Goobne Chicken Restaurant as required by this Agreement based on the examination and findings of a licensed physician in good standing.

13. RELATIONSHIP OF PARTIES; INDEMNIFICATION

13.1. Independent Contractor. This Agreement does not create a fiduciary relationship between the Parties. With respect to all matters pertaining to Franchisee's Goobne Chicken Restaurant, Franchisee is an independent contractor. Nothing in this Agreement is intended to make either Party a general or special agent, joint venturer, partner or employee of the other for any purpose. Franchisee acknowledges that it is the independent owner of its Goobne Chicken Restaurant and is in full control thereof, and shall conduct such business in accordance with Franchisee's own judgment and discretion, subject only to the provisions of this Agreement. Franchisee shall conspicuously identify itself by posting a sign in a conspicuous location, in all public records, letterhead and business forms, advertising and in all dealings with customers, suppliers and other third parties that the Goobne Chicken Restaurant is independently owned and operated.

13.2. No Liability of Company. Neither Company nor Franchisee shall be obligated by, or have any liability under, any agreements or representations made by the other that are not expressly authorized under this Agreement. Company shall not be obligated for any damages to any person or party directly or indirectly arising out of or relating to the operation of Franchisee's Goobne Chicken Restaurant.

13.3. Indemnification by Franchisee. Franchisee shall indemnify and hold Company and each of its officers, directors, shareholders, employees, agents, successors and assigns, harmless from and against any and all costs, expenses, losses, liabilities, damages, causes of action, claims and demands whatsoever, arising from or relating to the operation of Franchisee's Goobne Chicken Restaurant, whether or not arising from bodily injury, personal injury or property damage, or any other violation of the rights of others, or in any other way, including but not limited to, any liability arising from labor or employment law violations by Franchisee, claims by Franchisee's employees against Company and any and all acts and omissions of Franchisee and its employees. The foregoing indemnification shall extend, without limitation, to all claims and obligations arising from construction and development of the Goobne Chicken Restaurant and from the business conducted by Franchisee pursuant to this Agreement, actual and consequential damages, and Company's costs and expenses incurred in defending any third-party claim covered by this indemnification, including, without limitation, attorneys' fees, court costs, and travel and living expenses. Company shall have the right to retain its own counsel to defend any third-party claim asserted against it which is covered by this indemnification agreement and later seek indemnification from the Franchisee. The provisions shall survive the expiration or termination of this Agreement for any reason.

14. PERSONAL GUARANTY

14.1. Personal Guaranty Form. If Franchisee is a corporation, Limited Liability Company or other entity, each person who owns or at any time during the Term acquires, either legally or beneficially, 25% or more of the equity or voting interests of Franchisee shall furnish any financial information reasonably required by Company and execute Company's form of personal guaranty attached to this Agreement as **Exhibit "C."** An event of default under this Agreement shall occur if any guarantor fails or refuses to deliver to Company, within ten (10) days after Company's written request: (i) evidence of the due execution of the personal guaranty, and current financial statements of guarantor as, may from time to time be requested by Company.

15. DISPUTE RESOLUTION

15.1 California law shall govern the construction, interpretation, validity and enforcement of this Agreement. Any dispute arising from or relating to this Agreement shall be resolved by arbitration according to the Commercial Rules of Arbitration of American Arbitration Association. Arbitration shall be conducted by a single arbitrator. The arbitration shall be conducted in Los Angeles, California. The arbitrator shall have authority to award or include in the award any relief which the arbitrator deems proper in the circumstances, including without limitation, money damages (with interest on unpaid amounts from the due date), specific performance and injunctive relief. Discovery shall be permitted in the arbitration in accordance with California Code of Civil Procedure Section 1283.05 and 1283.1(b). Judgment on the award of the arbitrator may be entered in and enforced by any court of competent jurisdiction. This arbitration provision is self-executing and a properly noticed arbitration may proceed despite a party's failure to appear or participate. This agreement to arbitrate shall continue in effect subsequent to and regardless of expiration or termination of this Agreement.

16. ACKNOWLEDGMENTS.

Franchisee acknowledges and represents to Company, to induce Company to enter into this Agreement, that:

16.1. Acceptance of Conditions. Franchisee has read this Agreement and Company's Franchise Disclosure Document otherwise known as FDD and understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain Company's standards of service and quality and the uniformity of those standards at all Goobne Chicken Restaurants in order to protect and preserve the Goobne System and the goodwill of the Goobne Marks.

16.2. Independent Investigation. Franchisee has conducted an independent investigation of the business contemplated by this Agreement. Franchisee recognizes that the Goobne System may evolve and change over time; that an investment in this franchise involves business risks; and that the success of the investment depends on many variables including Franchisee's business acumen.

16.3. No Representations; Status of Franchisee

(a). No representations have been made by Company, or by its officers, directors, shareholders, employees or agents, that are contrary to statements made in the FDD previously received by Franchisee or to the terms contained in this Agreement; and

(b) Franchisee or each person executing a guaranty of Franchisee's obligation, is a United States citizen or a lawful resident alien of the United States; if Franchisee is a corporation, Limited Liability Company, partnership or other entity, it shall remain duly organized and in good standing for as long as this Agreement is in effect and it owns the franchise rights; and all financial and other information provided to Company in connection with Franchisee's application is true and correct and no material information or fact has been omitted which is necessary in order to make the information disclosed not misleading.

17. GENERAL

17.1. Notices. All communications required or permitted to be given to either Party hereunder shall be in writing and shall be deemed duly given on the earlier of: (i) the date when delivered by hand; (ii) the date when delivered by fax if confirmation of transmission is received or can be established by the sender; (iii) one business day after delivery to a reputable national overnight delivery service; or (iv) four business days after being placed in the United States Mail and sent by certified or registered mail, postage prepaid, return receipt requested. All notices shall be addressed to Franchisee at the following address: ___________________________________; and to Company at its headquarters at 14808 Beach Blvd., La Mirada, CA 90638; (714) 476-4136 (Telephone). Either Party may change its address for receiving notices by appropriate written notice to the other. All payments and reports required to be delivered to Company shall be directed to Company at the above address. Notwithstanding the Parties' agreement regarding when notices shall be deemed to be given, any required payment or report not actually received by Company during regular business hours on the date it is due shall be deemed delinquent.

17.2. Time of the Essence. Time is of the essence of this Agreement with respect to each and every provision of this Agreement in which time is a factor.

17.3. Withholding of Consent. Except where this Agreement expressly obligates Company to reasonably approve or not unreasonably withhold its approval of any action or request by Franchisee, Company has the absolute right to refuse any request by Franchisee or to withhold its approval of any action by Franchisee. Further, whenever the consent or approval of Company is required under this Agreement such consent or approval must be in writing unless this Agreement specifies otherwise.

17.4. Waiver. Any waiver granted by Company to Franchisee excusing or reducing any obligation or restriction imposed under this Agreement shall be in writing and shall be effective on delivery of such writing by Company to Franchisee or on such other effective date as specified in the writing, and only to the extent specifically allowed in such writing. No waiver granted by Company, and no action taken by Company, with respect to any third party shall limit Company's discretion to take action of any kind, or not to take action, with respect to Franchisee. Any waiver granted by Company to Franchisee shall be without prejudice to any other rights Company may have. The rights and remedies granted to Company are cumulative. No delay on the part of Company in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by Company of any right or remedy shall preclude Company from fully exercising such right or remedy or any other right or remedy. Company's acceptance of any payments made by Franchisee after a breach of this Agreement shall not be, nor be construed as, a waiver by Company of any breach by Franchisee of any term, covenant or condition of this Agreement.

17.5. Section Headings; Language. The section headings used in this Agreement are inserted for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants or conditions of this Agreement. The language used in this Agreement shall in all cases be construed simply according to its fair meaning and not strictly for or against Company or Franchisee. The term "Franchisee" as used herein is applicable to one or more persons, corporations, partnerships or entities, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the masculine and the feminine. If two or more persons are at any time Franchisee hereunder, whether or not as partners or joint venturers, their obligations and liabilities to Company shall be joint and several. Nothing in this Agreement is intended, nor shall it be deemed, to confer any rights or remedies on any person or entity not a Party hereto. Whenever this Agreement refers to "business days," it shall mean weekdays only, excluding Saturdays, Sundays and holidays.

17.6. Binding on Successors. Subject to the restrictions contained herein on assignment by Franchisee, the covenants, agreements, terms and conditions contained in this Agreement shall be binding on, and shall inure to the benefit of, the successors, assigns, heirs and personal representatives of the Parties hereto.

17.7. Validity; Conformity with Applicable Law. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be valid under applicable law, but if any provision of this Agreement shall be invalid or prohibited under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement. To the extent that the provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation, non renewal or the like other than in accordance with applicable law, such provisions shall be deemed to be automatically amended to conform them to the provisions of such applicable law. To the extent any provision of this Agreement is deemed unenforceable by virtue of its scope in terms of geographic area, business activity prohibited and/or length of time, but could be enforceable by reducing any or all thereof, the Parties agree that the provision shall be enforced to the fullest extent permissible under the laws of the jurisdiction in which enforcement is sought.

17.8. Amendments. No amendment, change, modification or variance to or from the terms and conditions set forth in this Agreement shall be binding on any Party unless it is set forth in writing and executed: (i) on behalf of Franchisee by Franchisee or, if Franchisee is not a natural person, by an authorized agent or officer of Franchisee; and (ii) on behalf of Company; by any duly authorized officer of Company.

17.9. Complete Agreement. This Agreement, including all exhibits and addendums attached hereto, and all agreements or documents which by the provisions of this Agreement are expressly incorporated herein or made a part hereof, sets forth the entire agreement between the Parties, fully superseding any and all prior agreements or understandings between them pertaining to the subject matter hereof. There are no representations, warranties, promises or inducements, either oral or written, except those contained in this Agreement. However, nothing in this Agreement, the exhibits or any related agreement or document is intended to disclaim representations which Company has made in Company's Franchise Disclosure Document which Franchisee acknowledges has been furnished to Franchisee.

17.10. Covenant and Condition. Each provision of this Agreement performable by Franchisee shall be construed to be both a covenant and a condition.

17.11. Submission of Agreement. The submission of this Agreement to Franchisee does not constitute an offer to Franchisee, and this Agreement shall become effective only on execution by Company and Franchisee.

17.12. Spousal Consent. If the Party entering into this Agreement as Franchisee is a married individual and the Party's spouse is not a party to this Agreement, Franchisee's spouse shall execute the Spousal Consent attached as **Exhibit "E."**

[INTENTIONALL LEFT BLANK]

17.13 Governing Law. This Agreement shall be governed by the laws of the State of California without regard to its choice of law provisions. The Parties hereby expressly consent to personal and exclusive jurisdiction of the state and federal court sitting in Los Angeles County, California.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date stated as the Effective Date.

[Company]

FAVOR 46, INC.

By:______________________

Its: ______________________

[Franchisee]

____
[Signature]

____
[Print Name]

[Name of Corporation or Partnership]

By:______________________

Its: ______________________

EXHIBIT “A”

FRANCHISE LOCATION

The street address of the Franchise Location is as follows:________________

Dated: ____________________

[Company]	[FRANCHISEE]
FAVOR 46, INC.	[Name:]
By:______________________	__________________________ [Signature]
Its: ______________________	__________________________ [Print Name:]
	[Name 2:]
	__________________________ [Signature]
	__________________________ [Print Name:]
	[Name 3:]
	__________________________ [Signature]
	__________________________ [Print Name:]

EXHIBIT "B"

DESCRIPTION OF TERRITORY

Franchisee's Territory is the following geographic area: ____________________________

____

(Complete if applicable) The Territory includes all or a portion of the following zip codes as of the Effective Date:

____

Dated: ____________________

[Company]

FAVOR 46, INC.

By:______________________

Its: ______________________

[FRANCHISEE]

[NAME:]

____
[Signature]

____
[Print Name]

[Name 2:]

____
[Signature]

____
[Print Name:]

[Name 3:]

____
[Signature]

____
[Print Name:

“EXHIBIT C”

PERSONAL GUARANTY

The undersigned individual ("Guarantor"), to induce and cause Favor 46, Inc. ("Company"):

(i) to enter into that certain Franchise Agreement dated __________________, 202[ ]_(the "Franchise Agreement") with ____ as Franchisee (the "Franchisee");

(ii) to permit assignment of the Franchise Agreement to the Franchisee by the individual(s) who are the original signatories of the Franchise Agreement as Franchisee, or

(iii) as otherwise required as a condition of the Franchise Agreement, Guarantor voluntarily enters into this Guaranty Agreement ("Guaranty") for the benefit of Company and unconditionally, jointly and severally, personally guarantee(s) to Company, its successors and assigns, the full, timely and complete payment and performance of all obligations of the Franchisee which are or may become due and owing to Company or to any entity affiliated with Company, including, but not limited to, all obligations arising out of the Franchise Agreement by and between the Franchisee and Company or any entity now or hereafter affiliated with Company, and any other agreement now or hereafter existing between Company and the Franchisee (collectively, the "Guaranteed Obligations") in the same manner as if the Franchise Agreement or other agreement was entered into by Company and Guarantor directly. The obligations of Guarantor under this Guaranty are independent of the obligations of the Franchisee or any other guarantor, and shall be continuing and irrevocable until all of the Guaranteed Obligations have been fully satisfied.

1. **Waivers; Amendments**.

a. Guarantor waives (i) notice that Company accepted, or will accept, money or other consideration from the Franchisee or for the Franchisee's benefit, (ii) notice that the Franchisee incurred, or will incur, any new or additional obligations or liability to Company or to any entity affiliated with Company, and (iii) any and all other notices and demands to which it may be entitled under applicable law.

b. Guarantor waives all rights to determine how, when and what application of payments and credits will be made on the Guaranteed Obligations.

c. This Guaranty shall not be affected by the amendment, modification, extension or renewal of any agreement between Company and the Franchisee, by the creation or incurring of new or additional Guaranteed Obligations, the taking of security for payment, the granting of additional time for payment, the filing by or against the Franchisee of bankruptcy, insolvency, reorganization or other debtor's relief afforded under any present or future law or by the decision of any court, or any other matter, whether similar or dissimilar to any of the foregoing; and this Guaranty shall cover the terms and obligations of any such modifications, notes, security agreements, extensions, or renewals.

d. This Guaranty shall not be affected by any defect in the genuineness, validity, regularity, or enforceability of the Franchisee's obligations or liability to Company, or any other circumstances whether or not referred to herein which might otherwise constitute a legal or equitable discharge of a surety or guarantor.

e. Guarantor waives any and all benefits it may otherwise be entitled to as a guarantor or surety under applicable law, including the provisions of California Civil Code §§2787 through 2855.

f. Guarantor's liability under this Guaranty shall not be contingent on Company's exercise or enforcement of any remedy it may have against the Franchisee or others, or the enforcement of any lien or realization upon any security Company may at any time possess.

2. **Subordination**. Guarantor covenants and agrees that any indebtedness by the Franchisee to Guarantor for any reason, currently existing or which might arise after the date hereof, shall at all times be inferior and subordinate to any indebtedness owed by the Franchisee to Company. As long as the Franchisee owes any monies to Company (other than fees or payments that are not past due), the Franchisee will not pay, and Guarantor will not accept payment of, any part of any indebtedness which may be owed by the Franchisee to Guarantor, either directly or indirectly, without Company's prior written consent.

3. **Joint and Several Liabilities**. If more than one person executes a personal guaranty in favor of Company (whether or not in identical form), guarantying the Franchisee's payment or performance of the Guaranteed Obligations, each individual shall be jointly and severally liable for the Guaranteed Obligations. Company shall have recourse against any one guarantor, or all of them, and its election to pursue recourse against fewer than all guarantors shall not discharge the others. Company may partially or fully release the Franchisee or any other guarantor without obtaining Guarantor's consent and without affecting or impairing Guarantor's obligations under this Guaranty.

4. **Cumulative Remedies**. All rights and remedies of Company under this Guaranty are cumulative and not alternative, and such rights and remedies are in addition to those given to Company by applicable law.

5. **Governing Law & Dispute Resolution**. California law shall govern the construction, interpretation, validity and enforcement of this Guaranty. Any dispute arising from or relating to this Guaranty, also including any claim that this Guaranty (including this Section 5) was induced by misrepresentation or fraud, shall be resolved by arbitration according to the Commercial Rules of Arbitration of American Arbitration Association. Arbitration shall be conducted by a single arbitrator. The arbitration shall be conducted in Los Angeles, California. The arbitrator shall have authority to award or include in the award any relief which the arbitrator deems proper in the circumstances, including without limitation, money damages (with interest on unpaid amounts from the due date), specific performance and injunctive relief. Discovery shall be permitted in the arbitration in accordance with California Code of Civil Procedure Section 1283.05 and 1283.1(b). Judgment on the award of the arbitrator may be entered in and enforced by any court of competent jurisdiction. This arbitration provision is self-executing and a properly noticed

arbitration may proceed despite a party's failure to appear or participate. This agreement to arbitrate shall continue in effect subsequent to and regardless of expiration or termination of this Agreement.

6. **General**.

a. All notices required or permitted to be given to either party shall be in writing and shall be deemed duly given on the earlier of: (i) the date when delivered by hand; (ii) one business day after delivery to a reputable national overnight delivery service; or (iii) four (4) business days after being placed in the United States Mail and sent by certified or registered mail, postage prepaid, return receipt requested. All notices shall be addressed as follows:

If to Guarantor:	____________	_____________	_____________
	____________	_____________	_____________
	____________	_____________	_____________
Email(s):	____________	_____________	_____________

If to Company: 14808 Beach Blvd.
La Mirada, CA 90638
Email: hi@goobnechicken.com
Phone: (714) 476-4136

Either party may change its address for receiving notices by appropriate written notice to the other.

b. This Guaranty shall be binding on, and shall benefit, Guarantor's successors-in- interest, heirs and personal representatives.

c. This Guaranty sets forth the entire agreement between the parties, fully superseding any and all prior agreements or understandings between them pertaining to the subject matter hereof. No amendment, change, modification or variance to or from the terms and conditions set forth in this Guaranty shall be binding unless it is set forth in a writing and duly executed by Guarantor.

d. No waiver of any default under this Guaranty shall be effective unless the waiver is evidenced by a writing duly executed by Company. No such waiver shall constitute a continuing waiver of the same or any other default or provision of this Guaranty or render unnecessary Company's consent to or approval of any other act or subsequent act.

If Guarantor is a married individual and his or her spouse is not also required by Company to execute this Guaranty as a guarantor, Guarantor's spouse shall execute the Spousal Consent attached as Exhibit "E."

IN WITNESS WHEREOF, Guarantor has executed this Guaranty on the date set forth

"Guarantor"

____

____
Print Name

Dated: ___________________________

"Guarantor"

____

____

Print Name

Dated: ___________________________

"Guarantor"

____

____

Print Name

Dated: ___________________________

EXHIBIT "C"

EXHIBIT "D"

ACH AUTHORIZATION FORM

DEPOSITOR (NAME OR LEGAL ENTITY): ____

Located at ____

The undersigned depositor ("Depositor") hereby authorizes Favor 46, Inc. (Franchisor) ("Goobne Chicken") to initiate debit entries and credit correction entries to Depositor's checking or savings account indicated below and Depositor hereby authorizes the depository designated below ("Bank") to debit or credit such account pursuant to Goobne Chicken's instructions. This authorization is to remain in full force and effect until ninety (90) days after Goobne Chicken has received written notification from Depositor of its termination.

DEPOSITOR & BANK INFORMATION

Depositor Name:
Depositor Address:
Bank Name:
Bank (Branch) Address:
Depositor Routing Number:
Depositor Account Number to Debit:

The undersigned representative of Depositor represents and warrants to Goobne Chicken and the Bank that the person executing this ACH Authorization Form is an authorized signatory on the account referenced above and all information regarding the account is true and correct.

Signature	
Print Name /Title	
Date	

EXHIBIT "E"

CONSENT OF SPOUSE

The undersigned, as spouse of the person whose name appears beneath my signature below, acknowledges and signs this Consent with regard to the following:

(1) Franchise Agreement dated __________________by and between Favor 46, Inc., a California corporation ("Company") and____.

(2) Agreement Request Form dated __________________by and between Favor 46, Inc., a California corporation ("Company") and____.

(3) Personal Guaranty dated ____________________________ by the undersigned's spouse.

(4) Addendum to Lease dated _________________________ by and between the Company and____.

(5) Confidentiality Agreement dated _____________ by and between the Company and ____.

For this Consent of Spouse, the items indicated above shall individually and collectively be referred to as, the **"Agreement(s)".**

I acknowledge and confirm that I have read and understand the Agreement(s) and obtained explanation of any provisions I did not understand so that I now understand such provisions. I acknowledge that I have the right and had the opportunity to seek independent legal counsel and was fully advised by counsel as to all my rights, interests and obligations relating to the Agreement(s) and the contemplated transactions, or I voluntarily chose not to retain independent legal counsel. I consent to, approve of and agree with the execution and delivery of the Agreement(s) and the consummation of the transactions by my spouse with the understanding that I may have a beneficial interest, community property interest, quasi-community property interest or other interest in the property rights of my spouse which are the subject of the Agreement(s) and which, by this consent and the Agreement(s) are made subject to the Agreement(s).

I understand the terms and conditions in the Agreement(s) and consent to and agree to be bound by all terms and provisions of the Agreement(s). I acknowledge that I signed this consent voluntarily and of my own free will without relying on any promise, commitment or other inducement by the Company, my spouse or any other person. I promise not to take any action at any time to hinder the transactions contemplated in the Agreement(s).

Date: ____

Signature:____________________________________

Print Name:___________________________________

Spouse of: ________________________ (please print)

EXHIBIT "E"

CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT is made as of _____________("Effective Date") by ____ (individually and/or jointly, "Potential Franchisee") in favor of and for the benefit of Favor 46, Inc. ("Favor 46" or "Goobne Chicken").

RECITALS

Potential Franchisee has expressed interest in purchasing a franchise from Goobne Chicken to develop a Goobne Chicken Restaurant ("Franchise"). In order to evaluate the possibility of purchasing a Franchise from Goobne Chicken, Potential Franchisee desires to receive from Goobne Chicken certain proprietary and confidential business information. Potential Franchisee recognizes the importance of maintaining the confidentiality of this information.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Prospective Franchisee agrees as follows:

1. Confidential Information

A. Definition of Confidential Information. As used in this Agreement, the term "Confidential Information" means all information about Goobne Chicken or its affairs that Goobne Chicken or its representatives furnish to Potential Franchisee. Confidential Information includes, but is not limited to, Goobne Chicken's confidential and proprietary Manual, or any portion of its contents, trade secrets, know-how, methodologies, processes, formulas, specifications, Goobne Chicken restaurant system information, operating procedures and standards, technical information, statistics, software, hardware, materials, plans, designs, schematics, reports, studies, notes, analyses, summaries, business, market and development plans and programs, financial information and projections, information regarding the retail and commercial operations of Goobne Chicken and its affiliates, and all information that: (1) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy; or (3) is designated by Goobne Chicken as confidential or proprietary. Confidential Information may be in written form or obtained orally. As used in this Agreement, the term "representatives" of a party shall include the directors, officers, employees, shareholders or other securities holders, partners, members, trustees, agents, lenders, advisors, subsidiaries and other foreign and domestic affiliates and/or related entities of a party.

B. Treatment of Confidential Information. Potential Franchisee acknowledges, understands and agrees that the Confidential Information: (1) is the exclusive and confidential property of Goobne Chicken or its affiliates and incorporates trade secrets and copyrights owned by them; (2) gives Goobne Chicken and its affiliates some competitive business advantage or the opportunity of obtaining such an advantage, the disclosure of which could be detrimental to the interests of Goobne Chicken and its affiliates; and (3) is not generally known by non-Goobne

Chicken personnel. Potential Franchisee shall at all times treat the Confidential Information in accordance with this Agreement.

C. Waiver of Warranty. Although Potential Franchisee acknowledges, understands that Goobne Chicken has endeavored to include in the Confidential Agreement information material known to it which it believes to be relevant for Potential Franchisee's purposes, Potential Franchisee, further understands that Goobne Chicken does not make any representation or warranty as to the accuracy or completeness of the Confidential Information. Potential Franchisee further acknowledges that Goobne Chicken has not and will not make representations or warranties as to the potential sales at a Goobne Chicken Restaurant, and no information supplied by Goobne Chicken shall be construed as a prediction of future sales. Potential Franchisee agrees that neither Goobne Chicken nor its representatives shall have any liability to Potential Franchisee, Potential Franchisee's representatives or any other person resulting from the use of the Confidential Information.

D. No License Given. This Agreement entitles Potential Franchisee to use the Confidential Information solely in connection with Potential Franchisee's exploration of the opportunity to purchase a Franchise. No license, express or implied, in the Confidential Information is granted to Potential Franchisee other than to use the Confidential Information in the manner and to the extent authorized by this Agreement.

2. Further Obligations of Potential Franchisee.

As a consequence of Potential Franchisee's acquisition or anticipated acquisition of Confidential Information, Potential Franchisee will occupy a position of trust and confidence with respect to Goobne Chicken's affairs and business. In view of the foregoing, Potential Franchisee agrees that it is reasonable and necessary that Potential Franchisee agree, while this Agreement is in effect, to the following:

A. No Disclosure. Potential Franchisee shall use the Confidential Information solely for purposes of evaluating whether or not Potential Franchisee will purchase a Franchise. Potential Franchisee shall not disclose the Confidential Information to any person or entity other than Potential Franchisee's attorney, accountant or other representatives as necessary to evaluate the opportunity provided by Goobne Chicken and agree to protect the Confidential Information against unauthorized disclosure using the same degree of care, but no less than a reasonable degree of care, as Potential Franchisee uses to protect Potential Franchisee's confidential information. Potential Franchisee represents that it has its own procedures in place to assure that its representatives are aware of their obligations to retain in confidence any Confidential Information they receive. Without in any way limiting the generality of Potential Franchisee's obligations under this Agreement, 'Potential Franchisee acknowledges and agrees that in no event will Potential Franchisee disclose any of the Confidential Information to any of Goobne Chicken's competitors.

B. No Use, Copying or Transfer. Potential Franchisee shall not use, copy or transfer Confidential Information in any way and shall protect the Confidential Information against unauthorized use, copying or transfer using the same degree of care, but no less than a reasonable degree of care, as Potential Franchisee uses to protect Potential Franchisee's confidential information. Potential Franchisee further agrees not to remove, overprint, or deface any notice of copyright, trademark, logo, or other notices of ownership from any Confidential Information,

C. Applicability. These covenants shall apply to all Confidential Information disclosed to Potential Franchisee by Goobne Chicken prior to the date of this Agreement.

D. Return and/or Destruction of Confidential Information. If, at any time, Goobne Chicken determines that it does not wish for Potential Franchisee to purchase a Franchise or Potential Franchisee determines that it does not wish to purchase a Franchise, or if Goobne Chicken requests, at any time and for any reason, that Potential Franchisee do so, Potential Franchisee agrees to: (1) immediately cease to use the Confidential Information; (2) immediately return, or destroy, the Confidential Information and all copies thereof (whether or not such copies were authorized) and cause any third party to whom disclosure was made to do the same; and (3) at the request of Goobne Chicken, certify in writing that Potential Franchisee and all others to whom Potential Franchisee has provided such Confidential Information, have complied with subsections (I) and (2) above.

E. Injunctive Relief. Potential Franchisee understands that any violation of this Agreement will cause Goobne Chicken immediate and irreparable harm, which money damages cannot adequately remedy. Therefore, upon any actual or impending violation of this Agreement, Potential Franchisee hereby consents to issuance by the federal or state court having jurisdiction where Goobne Chicken's principal office is located or, at Goobne Chicken's election, any other court that may, assume jurisdiction, of any restraining order, preliminary and/or permanent injunction, without bond, restraining or enjoining such violation by Potential Franchisee or any entity or person acting in concert with Potential Franchisee. Potential Franchisee understands that such orders are additional to and do not limit the availability of any other remedy.

IN WITNESS WHEREOF, the undersigned Potential Franchisee has signed and delivered this Agreement as of the day and year above written.

POTENTIAL FRANCHISEE:

____

By:______________________________________

Print Name:_______________________________

Date:____________________________________

EXHIBIT "F"

ADDENDUM TO LEASE DATED _________________________, 20 ___
BY AND BETWEEN ______________________________ , LANDLORD AND
______________________________TENANT

RE: RIGHTS OF FAVOR 46, INC., a California Corporation ("Company")

RECITALS

A. Company and Tenant (hereinafter referred to as "Tenant" and/or "Franchisee") are parties to a Franchise Agreement dated, ______________________ 20___ (the "Franchise Agreement"), pursuant to which Company granted Franchisee a franchise and license to use the Goobne Chicken system and Goobne Marks in the operation of a Goobne Chicken Restaurant at a designated Franchise Location, as such capitalized terms are defined in the Franchise Agreement, on the terms and conditions stated in the Franchise Agreement.

B. Company approved Franchisee's request to locate its Goobne Chicken Restaurant on the property which is the subject of this Lease, provided that the conditions and agreements stated in this ADDENDUM TO LEASE DATED ______________, 20___ BY AND BETWEEN ____, LANDLORD AND ____, TENANT "Addendum" are part of the Lease.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Assignment.

(a) Franchisee irrevocably assigns and transfers to Company all of Franchisee's right, title, and interest in and to this Lease and all options contained therein. This assignment may not be revoked without Company's prior written consent, and may be accepted by Company and/or any assignee, transferee, or a successor-in-interest to Company (any such person or entity being referred to herein as "Assignee"), and take effect at any time under the terms and provisions of this Addendum.

(b) Until Assignee accepts the assignment herein, Assignee shall have no obligations, liabilities, or responsibilities under this Lease or otherwise, including but not limited to obligations of the Landlord and/or Tenant hereunder, or any obligations as a guarantor or indemnitor.

2. Use of the Premises as Goobne Chicken Restaurant

(a) Notwithstanding anything to the contrary in this Lease, until Company delivers to Landlord notice in writing that grounds exist for termination of the Franchisee Agreement:

(i) The Premises shall be used solely for the operation of a Goobne Chicken Restaurant and only during the operating hours established by Company, subject to local zoning restrictions, if any.

(ii) Franchisee shall have the right to display all of the Goobne Marks, as they may be modified by Company from time to time. All exterior signs of Franchisee, all monuments, and signs shall comply with the specifications provided by the Company or such additional Specifications as may be reasonably adopted by Company.

(iii) Company shall have the right to enter the Premises to inspect Franchisee's operation of the Goobne Chicken Restaurant- and engage in all activities expressly permitted by the Franchise Agreement.

(b) if Company notifies Landlord in writing that grounds exist for termination of the Franchise Agreement, Franchisee thereafter will not engage in, and Landlord shall not thereafter permit, the sale of any and all Goobne Chicken menu items at the Premises.

(c). Landlord agrees that during the term hereof, and for a period of two (2) years thereafter, not to allow:

(i) Any quick service restaurant serving menu items that are similar to the menu items that were offered by Goobne Chicken on the Premises;

(ii) Any tenant in the building where the Premises is located to sell any food item described or designated as a "fried," baked" or similar variation incorporating the name "Chicken" in the menu item description.

3. Default in Franchise Agreement.

(a) Franchisee's default under the Franchise Agreement, for any reason, shall constitute an event of default under this Lease, which can be cured only if the Franchise Agreement default is timely cured by the Franchisee.

4. Notice to Company.

(a) On request from Company, Landlord shall furnish Company with copies of all information pertaining to sales and activities of the Goobne Chicken Restaurant in Landlord's possession, including copies of correspondence and reports received from Franchisee or reports prepared by others about the Goobne Chicken Restaurant.

(b) Landlord shall promptly furnish Company and Franchisee with a copy of any notice, report or citation which Landlord receives:

(i) Concerning an unhealthy, unsanitary, or unclean condition at Franchisee's Goobne Chicken Restaurant; or

(ii) Asserting, suggesting, or alleging that activities at, or the physical condition of, the Premises may, or do, violate any law or regulation.

5. Default by Tenant (Franchisee).

(a) Landlord agrees it shall not terminate or purport to terminate this Lease because of any actual or claimed default or breach hereunder by Franchisee if Assignee, within sixty (60) days after service of written notice on Company from Landlord of Landlord's intention to terminate this Lease for such breach or default, shall:

(i) Cure the breach or default if it can be cured by payment or expenditure of money provided to be paid under the terms of this Lease, specifically including, but limited to, payment of Rent, or if the default or breach is not so curable, commence and thereafter pursue to completion the steps and proceedings to obtain possession of the property, and thereafter cure the default.

(ii) Keep and perform all the covenants and conditions of this Lease, requiring the payment or expenditure of money by Tenant until such time as Assignee shall have had the opportunity to terminate the leasehold interest of Franchisee, provided, however, that if Assignee fails or refuses to comply with the conditions of this section , then, and thereon, Landlord shall be released from the covenants of forbearance with respect to that breach or default.

(iii) Assignee shall have no obligation to comply with the conditions of this section. If Assignee shall fail or refuse to comply with the conditions of this section, then and thereon Landlord shall be released from the conditions of forbearance with respect to that breach or default, and such release shall be the only remedy available to Landlord.

6. Acceptance of Assignment by Assignee.

(a) Assignee shall have the right to accept the assignment herein if (1) either the Franchise Agreement expires or is terminated for any reason, or (2) Franchisee loses the right to occupy the Premises for any reason prior to expiration of the Lease. If Assignee accepts the assignment, Franchisee shall be deemed to be, from and after acceptance, a sublessee of Assignee on the terms and conditions in this Lease. All obligations of Franchisee to Landlord shall be deemed to be obligations of Franchisee to Assignee, and Assignee shall have all rights of a sublessor to terminate Franchisee's rights under this Lease as a sublessee, and to exercise all rights which the Landlord would have had and does have to obtain immediate possession of the Premises, to terminate the sublease, or any other remedy provided by law.

(b) Assignee may accept the assignment by communicating in writing to Landlord of Assignee's acceptance of this Assignment.

7. Rights of Assignee Upon Acceptance of Assignment.

(a) If Assignee accepts the assignment herein contained, then:

(i) Assignee shall have all rights of Franchisee under and to said Lease;

(ii) Assignee shall have the right to assign, transfer, mortgage, or otherwise transfer, encumber, or sublet (collectively "Transferring") all or any part of its interest in this Lease or in the Premises, without Landlord's prior consent.

(iii) Assignee shall be liable to perform the obligations of Franchisee under this Lease arising from and after the acceptance of the assignment by Assignee and continuing so long as Assignee holds title to the leasehold. Assignee shall have no obligation to perform any obligations of Franchisee which Franchisee did not perform prior to default unless said obligations were specifically set forth in the notice to Company provided in Section 5 above.

8. No Voluntary Surrender or Amendment.

(a) For the benefit of Company, Landlord agrees not to accept a voluntary surrender of this Lease at any time before Landlord receives written notice that the Franchise Agreement between Company and Franchisee has been terminated. Landlord or Franchisee shall not subordinate or subject this Lease to any mortgage or encumbrance which may hereafter be placed on the fee or amend or alter any term or provision of this Lease without securing Company's prior written consent. Landlord and Franchisee shall not enter into any amendment or modification of this Lease without Company's prior written consent. Any purported amendment or modification made without Company's prior written consent shall not bind any Assignee.

9. Notices.

(a) All notices and other communications required or permitted to be given by the parties under this Addendum (including any acceptance of the assignment by Assignee) shall be in writing.

Company: FAVOR 46, INC.
14808 Beach Blvd.
La Mirada, CA 90638
Email: hi@goobnechicken.com
Phone: (714) 476-4136

Landlord:

____

____

____

Tenant (Franchisee):

____

____

____

Any party may change its address for receiving notices by appropriate written notice to the other parties.

(d) Any waiver excusing or reducing any obligation imposed by this Addendum shall be in writing and executed by the party charged with making the waiver and effective only to the extent specifically allowed in such writing. No waiver shall constitute a continuing waiver of the same or a waiver of any other provision.

(e) The provisions in this Addendum shall be construed simply according to their fair meanings and not strictly for or against any party. Nothing in this Addendum is intended, nor shall it be deemed, to confer any rights or remedies on any person or entity not a party hereto.

(f) This Addendum shall bind, and shall benefit, the successors, assigns, heirs, and personal representatives of the parties. The rights of Company hereunder may be assigned on one or more occasions in Company's sole discretion.

(g) This Addendum states the entire agreement with regard to the rights of Company, fully superseding any and all prior agreements or understandings between the parties pertaining to the subject matter of this Addendum. No amendment, change, modification, or variance to or from the terms and conditions in this Addendum shall be binding on any party unless set forth in a writing duly executed by each party.

[INTENTIONALLLY LEFT BLANK] – PARAGRAPH 10 OF THE ADDENDUM FOLLOWS ON THE NEXT PAGE

10. Waiver of Jury Trial.

LANDLORD, FRANCHISEE (TENANT) AND COMPANY HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY OF ANY CAUSE OF ACTION, CLAIM, COUNTERCLAIM, OR CROSS-COMPLAINT IN ANY ACTION, PROCEEDING AND/OR HEARING BROUGHT BY EITHER LANDLORD, TENANT OR COMPANY ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS ADDENDUM, THE RELATIONSHIP OF LANDLORD, FRANCHISEE (TENANT) AND ASSIGNEE, THE USE OR OCCUPANCY OF THE PREMISES, OR ANY CLAIM OF INJURY OR DAMAGE, OR THE ENFORCEMENT OF ANY REMEDY UNDER ANY LAW, STATUTE, REGULATION, EMERGENCY, OR OTHERWISE NOW OR HEREAFTER IN EFFECT.

COMPANY:	FAVOR 46, INC.
	BY:____________________________
	PRINT NAME: ____________________
LANDLORD:	________________________________
	BY:____________________________
	PRINT NAME: ____________________
TENANT (FRANCHISEE):	________________________________
	BY:____________________________
	PRINT NAME: ____________________

EXHIBIT "G"

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NONE

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NONE

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STATE SPECIFIC ADDENDUM

California

1. California Business and Professions Code sections 20000 through 20043 (the "Act") provide rights to you concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the Act, the Act will control.

2. Section 31125 of the California Corporations Code requires the franchisor to give you a disclosure document, approved by the Department of Financial Protection and Innovation before a solicitation of a proposed material modification of an existing franchise.

3. The Franchise Agreement requires binding arbitration. The arbitration will occur in Los Angeles County, California with the costs being borne equally by both parties. Franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code section 20040.5, Code of Civil Procedure section 1281, and the Federal Arbitration Act) to any provision of a franchise agreement that restricts venue to a forum outside of California.

4. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. §101 et seq.)

5. The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California Law.

6. The Franchise Agreement requires you to execute a general release of claims upon transfer of the Franchise Agreement. California Corporations Code section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (Corporations Code §§31000-31516). Business and Professions Code section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000-20043).

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

8. The agreements contain a liquidated damage clause, under Civil Code, Section 1671, certain liquidated damage clauses are enforceable.

9. Our website has not been reviewed or approved by the California Department of Financial Protection and Innovation; any complaints concerning the content of this website may be directed to the California Department of Financial Protection and Innovation at www.dfpi.ca.gov.

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

11. Our website www.wateriausa.com has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of this website may be directed to the California Department of Financial Protection and Innovation at its website address www.dfpi.ca.gov. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. Any statements or representations signed by a franchisee purporting to understand any fact or its legal effect shall be deemed made only based upon the franchisee's understanding of the law and facts as of the time of the franchisee's investment decision. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

Illinois

Many states have status concerning the relationship between franchisor and franchisee. These statutes deal with such matters as renewal and termination of franchises. Provisions of this sort will prevail over inconsistent terms in a franchise agreement. Illinois has such a statute (915 ILCS 705/19 and 705/20).

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The Franchise Agreement includes a choice of law clause designating another state's law as the governing law. Under Illinois law, a Franchise Agreement may not provide for a choice of law of any state other than Illinois. Accordingly, Item 17 w. is amended to state "none" under the heading for "Summary." The Franchise Agreement is amended to omit Section XXV.

The Franchise Agreement requires franchisee to sign a release of claims as a condition for transfer or renewal of the franchise. Under the law of Illinois, any provision that purports to bind a person acquiring a franchise to waive compliance with the franchise disclosure law of Illinois is void. Accordingly, insofar as the Franchise Agreement requires franchisee to waive franchisee's rights under the Illinois franchise law, these requirements are deleted from the Franchise

Agreement. This provision will not prevent the franchisor from requiring franchisee to sign a release of claims as part of a negotiated settlement of a dispute.

Maryland

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The Franchise Agreement says that franchisor may require franchisee to sign a release of claims, other than claims that may not be waived in advance under applicable law, as a condition of renewal or transfer of your franchise. Under Maryland law, the release will not apply to any liability under the Maryland Franchise Registration and Disclosure law.

Under the Franchise Agreement, franchisee must disclaim the occurrence and/or acknowledge the non-occurrence of acts that might constitute a violation of the Maryland franchise law. These representations are not intended to nor do they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the franchise is granted.

Michigan

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

(a) A prohibition on the right of a franchisee to join an association of franchises.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (30) days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee’s inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five (5) years, and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months' advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

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

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) Failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

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

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

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

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

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE ATTORNEY GENERAL. A

FRANCHISE SHALL NOT BE SOLD IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST TEN (10) BUSINESS DAYS BEFORE THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT OR AT LEAST TEN (10) BUSINESS DAYS BEFORE THE RECEIPT OF ANY CONSIDERATION, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE STATEMENT DESCRIBED IN THIS STATUTE.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, franchisee has the right to request an escrow arrangement.

Any questions regarding this notice should be directed to:

Consumer Protection Division

Attn: Marilyn McEwen

670 Law Building

Lansing, Michigan 48913

(517) 373-7117

Minnesota

The Franchise Agreement requires binding arbitration. The arbitration will occur in a state other than Minnesota, with costs being borne by the non-prevailing party.

Under Minnesota Statutes § 80C.21 and Minnesota Rule Part 2860.4400J, this provision may not in any way invalidate or reduce any of the franchise owner's rights that are listed in Chapter 80C of the Minnesota Statutes.

The Franchise Agreement requires application of the laws of a state other than Minnesota. Under Minnesota Statutes § 80C.21 and Minnesota Rule Part 2860.4400J, this provision may not in any way invalidate or reduce any of the franchise owner's rights that are listed in Chapter 80C of the Minnesota Statutes.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C. 14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice of non-renewal of the Franchise Agreement.

The Franchise Agreement requires you to sign a release of claims as a condition of renewing or transferring a franchise. Minnesota Rule Part 2860.4400J prohibits franchisor from requiring franchisee to sign a release of claims arising under the Minnesota Franchise Law. Therefore, any release we require you to sign will exclude claims arising under the Minnesota Franchise Law.

The Franchise Agreement provides that franchisor is entitled to a temporary injunction or decree of specific performance. The Franchise Agreement is amended to provide that we are entitled to seek a temporary injunction or decree of specific performance if we can demonstrate to a court of competent jurisdiction that there is substantial likelihood of franchisee's breach or threatened breach of any of the terms of the Franchise Agreement, not that franchisor is necessarily entitled to obtain this relief.

Under Minnesota law, any claim arising under §80C may be brought within three years after the cause of action accrues. The Franchise Agreement is amended to provide for a three-year period within which to bring any Minnesota claims.

New York

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH FRANCHISEE ABOUT ITEMS COVERED IN THIS PROSPECTUS. 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 PROSPECTUS.

Except as stated in Item 3 of this Disclosure Document, neither the franchisor, its predecessor or predecessors nor any person or sales agent identified in Item 2 of this Disclosure Document: (i) has pending any administrative, criminal, or material civil action (or a significant number of civil actions irrespective of materiality) alleging a felony, violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations; (ii) 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 a misdemeanor or pleaded nolo contendere to a misdemeanor charge or been held liable in a civil action by final judgment or been the subject of a material complaint or other legal proceeding if such misdemeanor conviction or charge or civil action, complaint or other legal proceeding involved violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations; (iii) is subject to any injunctive or restrictive order or decree relating to franchises or under Federal or State franchise, securities, antitrust, trade regulation or trade practice law as a result of a concluded or pending action or proceeding brought by a public agency.

Neither the franchisor, its affiliate, its predecessor, officers, nor general partner during the 10-year period immediately before the date of the Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

The introduction to Item 17 is amended to read as follows:

THIS TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE FRANCHISE AND RELATED AGREEMENTS PERTAINING TO RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION. YOU SHOULD READ THESE PROVISIONS IN THE AGREEMENTS ATTACHED TO THIS DISCLOSURE DOCUMENT.

The Summary column of Item 17d is amended to read: "You may terminate upon any grounds permitted by law." The Summary column of Item 17j is amended to read: "We may assign only to a financially responsible assignee that we reasonably believe is capable of performing its obligations under the franchise agreement and which expressly assumes these obligations in writing."

The Summary column in Item 17w is amended to add the following: "The foregoing choice of law should not be considered a waiver of any right conferred upon you by the General Business Law of the State of New York, Article 33."

North Dakota

In North Dakota, the Disclosure Document is amended as follows to conform to North Dakota law:

Item 17c is revised to omit any requirement that a general release be signed as a condition of renewal.

Item 17r is amended to add the following: "To the extent that covenants not to compete apply to periods after the term of the franchise, they are generally considered unenforceable in the State of North Dakota."

Item 17u is amended to omit any reference to the location or mediation or arbitration.

Item 17w is amended to state "None."

Rhode Island

The Rhode Island Securities Division requires the following specific disclosures to be made to prospective Rhode Island franchisees:

In spite of the provisions of Item 17v and Item 17w of the Disclosure Document, any litigation or arbitration arising under the Franchise Agreement will take place in Rhode Island or other place mutually agreed to by the franchisee and franchisor.

To the extent required by § 19-28.1-14 of the Rhode Island Franchise Investment Act, the Franchise Agreement will be governed by the laws of the State of Rhode Island.

South Dakota

The Franchise Agreement includes a covenant not to compete after termination of the franchise. Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of South Dakota, except in certain instances provided by law. The Franchise Agreement provides for arbitration in a state other than South Dakota. Under South Dakota law, arbitration must be conducted at a mutually agreed upon site in accordance with §11 of the Commercial Arbitration Rules of the American Arbitration Association.

The Franchise Agreement designates the law of a state other than South Dakota as the governing law, except that trademark issues are to be under the Lanham Act. Franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota, but contractual and all other matters will be subject to application, construction, enforcement and interpretation under the governing law specified by the Franchise Agreement.

Under South Dakota law, any provision in a Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue outside South Dakota is void with respect to any cause of action which is governed by the law of South Dakota.

Under South Dakota law, termination provisions covering breach of the Franchise Agreement, failure to meet performance and quality standards, and failure to make royalty payments contained in the Disclosure Document and Franchise Agreement must afford a franchisee thirty (30) days written notice with an opportunity to cur the default prior to termination. Under SDL 37-5A-86, any condition, stipulation or provision purporting to waive compliance with any provision of this chapter, or any rule or order is avoid.

An acknowledgment, provision, disclaimer or integration clause or a provision having a similar effect in a Franchise Agreement does not negate or act to remove from judicial review any statement, misrepresentation or action that would violate the South Dakota franchise law or a rule or order under the South Dakota franchise law.

Washington

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

In Washington, provisions of the Franchise Agreement which unreasonably limit the statute of limitations or remedies under the Washington Franchise Investment Act, such as the right to jury trial, may not be enforceable.

The Franchise Agreement requires application of the laws of a state other than Washington. If there is a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chap. 19.100 RCW, will prevail.

The Franchise Agreement requires franchisee to sign a release of claims as a condition of renewing or transferring the franchise. A release or waiver of rights signed by a franchise owner may not include rights under the Washington Franchise Investment Protection Act.

Under Washington law, transfer fees may be collected only to the extent that they reflect the franchisor's reasonable estimated or actual costs in connection with the transfer.

EXHIBIT “K”

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration:

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

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

State	Effective Date
California	Pending
Hawaii	May 17, 2020
Illinois	Pending
Indiana	May 20, 2020
Maryland	Pending
Michigan	May 10, 2020
Minnesota	May 23, 2020
New York	June 15, 2020
North Dakota	May 10, 2020
Rhode Island	May 11, 2020
South Dakota	May 10, 2020
Virginia	May 31, 2020
Washington	Pending
Wisconsin	May 9, 2020

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

RECEIPT

THIS FRANCHISE DISCLOSURE DOCUMENT SUMMARIZES CERTAIN PROVISIONS OF THE FRANCHISE AGREEMENT AND OTHER INFORMATION IN PLAIN LANGUAGE. READ THIS FRANCHISE DISCLOSURE DOCUMENT AND AGREEMENTS CAREFULLY.

If Favor 46, Inc. offers you a franchise, Favor 46, Inc. must provide this Franchise Disclosure Document, including all exhibits, to you by the earliest of:

(1) The first personal meeting to discuss your franchise; or

(2) Fourteen (14) calendar days before signing of a Binding Agreement; or

(3) Fourteen (14) calendar days before any payment to Favor 46, Inc.

You must also receive a Franchise Agreement containing all material terms at least five business days before you sign any Franchise Agreement.

IF FAVOR 46, INC. DOES NOT DELIVER THIS FRANCHISE DISCLOSURE DOCUMENT ON TIME OR IF IT CONTAINS A FALSE OR MISLEADING STATEMENT, OR A MATERIAL OMISSION, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, D.C. 20580 AND THE DEPARTMENT OF BUSINESS OVERSIGHT, 320 W. 4TH STREET, #750, LOS ANGELES, CA 90013-2344.

The name, principal business address, and telephone number of the franchise seller offering the franchise is; Ki Soo Lee, 14808 Beach Blvd., La Mirada, CA 90638, (714) 476-4136. Favor 46, Inc.'s authorized agent for service of process is: Ki Soo Lee, 14808 Beach Blvd., La Mirada, CA 90638.

I have received Favor 46, Inc.'s Uniform Franchise Disclosure Document dated effective as of ________________________, 202__. This Franchise Disclosure Document included the following Exhibits:

Exhibit A:	State Administrators/Agent for Service of Process
Exhibit B:	Financial Statement
Exhibit C:	Agreement Request Form
Exhibit D:	Franchise Agreement
Exhibit E:	Confidentiality Agreement
Exhibit F:	Addendum to Lease
Exhibit G:	Table of Contents of Confidential Operating Manual
Exhibit H:	List of Franchisees
Exhibit I:	List of Franchisees who Have Left the System
Exhibit J:	State Specific Addendum
Exhibit K:	State Effective Dates

Date: ___________________________________

____
Signature of Prospective Franchisee

____
[Print Name of Prospective Franchisee]

[Your Copy - Please Retain with your copy of our Franchise Disclosure Document.]

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Date: ________________________________

____
Signature of Prospective Franchisee

____
[Print Name of Prospective Franchisee]

[Our Copy - Please sign and return to us before retaining your copy of our Franchise Disclosure Document.]