# FRANCHISE DISCLOSURE DOCUMENT

Graze Craze Franchising, LLC
A Florida Limited Liability Company
2121 Vista Parkway
West Palm Beach, Florida 33411
(561) 640-5570
info@grazecrazefranchise.com
https://grazecraze.com/

The franchised business is to operate a store specializing in grazing and charcuterie style cuisine under the brand name "Graze Craze®". Graze Craze is an innovator in the food trend sweeping the nation known as "Grazing". Grazing allows people the flexibility to eat an entire meal or small portions of food during the course of the day. The grazing style of eating provides you and your guests with a diverse meal plan in the form of a charcuterie style grazing box, platter or table that meets the individual needs and wants of everyone's personal palette and diet, in relation to those who may have special health or medical eating requirements.

The total investment necessary to begin operation of a Graze Craze franchise is $162,484 to $294,292. This includes $119,084 to $137,042 that must be paid to the franchisor or its affiliates. The total investment necessary to begin operation under a three to ten-unit Multi-Unit Development Agreement is $231,484 to $569,792. This includes $188,084 to $412,542 that must be paid to the franchisor or Affiliates. The minimum number of Graze Craze units that you are required to develop under the Multi-Unit Development Agreement is three units.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, please contact a Franchise Development Specialist at 2121 Vista Parkway, West Palm Beach, Florida 33411, (888) 816-6749.

The terms of your contract will govern your franchise relationship. Do not 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, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

**Issuance date: October 17, 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 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use. |
| **Does the franchisor have the financial ability to provide support to my business?** | Item 21 or Exhibit F 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 Graze Craze in my area?** | Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you. |
| **Does the franchisor have a troubled legal history?** | Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings. |
| **What's it like to be a Graze Craze franchisee?** | Item 20 or Exhibit H lists current and former franchisees. You can contact them to ask about their experiences. |
| **What else should I know?** | These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents. |

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

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

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

**Supplier restriction.** 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 operation 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 of has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

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

## Special Risks to Consider About *This* Franchise

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

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

2. **Mandatory Minimum Payments.** You must make minimum royalty payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

3. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

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

**(THE FOLLOWING APPLIES TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY)**

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

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

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

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protection 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 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 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of 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) The 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 sub-franchisor.

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General
G. Mennen Williams Building, 7th Floor
525 W. Ottawa Street
Lansing, Michigan 48933
Telephone Number: (517) 373-7117

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## EXHIBITS


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| Exhibit A | State Administrators and Agents for Service of Process |
| Exhibit B | Multi-Unit Development Agreement |
| Exhibit C | Franchise Agreement<br>Schedule A – Equipment Package<br>Schedule B – Location Acceptance Letter<br>Schedule C – Electronic Funds Transfer<br>Schedule D – Assignment of Telephone Numbers, Domain Names, and Email Addresses<br>Schedule E – Owners Agreement |
| Exhibit D | Form of General Release |
| Exhibit E | Deposit Receipt Letter |
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| Exhibit F-1 | Financial Statements of Guarantor and Guaranty of Performance |
| Exhibit G | Operating Manual Table of Contents |
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| Exhibit J | State Addenda to Disclosure Document |
| Exhibit K | State Addenda to Franchise Agreement |
| Exhibit L | State Addenda to Multi-Unit Development Agreement |
| Exhibit M | Confidentiality and Nondisclosure Agreement |
| Exhibit N | State Effective Dates |
| Exhibit O | Disclosure Document Receipt (2 Copies) |

## Item 1
## THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

In this disclosure document, "we," "us," "GCZ," "Graze Craze Franchising," the "Company" or "our" refers to Graze Craze Franchising, LLC, the franchisor. "You" means the person, including any owner or entity, to whom we grant a franchise.

Our name is Graze Craze Franchising, LLC. Our principal business address is 2121 Vista Parkway, West Palm Beach, Florida 33411. We use the names "Graze Craze Franchising, LLC" and "Graze Craze®". We do not intend to use any other names to conduct business.

Our agent for service of process in Florida is Mark D. Nichols, General Counsel, whose business address is 2121 Vista Parkway, West Palm Beach, Florida 33411. Our agents for service of process in other states are disclosed in Exhibit A to this Disclosure Document.

We are a Florida limited liability company. We were formed on March 17, 2021. Our majority owner is UFG Holdings Group, LLC, a Florida limited liability company whose business address is the same as ours.

We have no predecessors.

Information About Our Business and the Franchises Offered

We have offered franchises since June of 2021. We do not operate businesses of the type being franchised. We do not have any other business activities. We have not offered franchises in other lines of business.

If you sign a franchise agreement with us, you will develop and operate a store specializing in grazing boards and/or charcuterie style cuisine under the trade name "Graze Craze®". If you sign a Multi-Unit Development Agreement (attached as Exhibit B to this disclosure document), you will develop multiple Graze Craze® outlets on an agreed-upon schedule. For each future unit franchise, we will require you to sign our then-current form of franchise agreement, which may be different from the form of franchise agreement included in this disclosure document.

Graze Craze® offers its products and services to the general public and competes with other physical and internet-based establishments specializing in grazing or charcuterie style food, restaurants in general, and other food service businesses. The market is developed and very competitive although we feel that this style of food service is somewhat unique in most markets. Sales are not seasonal. You will compete against restaurants, supermarkets, and brick and mortar and online charcuterie businesses. Some of these competitors are franchised.

Laws and Regulations

The food and restaurant industry has certain laws and regulations specific to it. The U.S. Food and Drug Administration, the U.S. Department of Agriculture, and various state and local health departments administer and enforce laws and regulations that govern food preparation and service, waste disposal, and sanitary conditions. State and local agencies inspect restaurants for compliance with these requirements. Certain provisions of these laws impose limits on emissions resulting from commercial food preparation. Some states have also adopted or are considering proposals to regulate indoor air quality.

The menu labeling provisions of the Patient Protection and Affordable Health Care Act require restaurant chains with 20 or more units to post caloric information on menus and menu boards, and to provide additional written nutrition information to consumers upon request. For smaller chains, some states and local governments may require you to comply with laws relating to the labeling that is included on your menus, menu boards, and related materials. Some state and local authorities have also adopted, or are considering adopting, laws or regulations that would affect the content or make-up of food served in restaurants, such as the level of trans-fat contained in a food item.

If you sell beer and wine, you will need to obtain the applicable required license. State and local laws, regulations and ordinances vary significantly in the procedures, difficulty and cost associated with obtaining a liquor license, the restrictions placed on the manner in which alcoholic beverages maybe sold, and the potential liability imposed by dram shop laws addressing injuries directly and indirectly related to the sale of alcohol and its consumption.

Operation of a Small Business will require you to be aware of federal, state, and local regulations that are common to all businesses including federal, state, and local employment laws and regulations, specifically including minimum wage and wage requirements. We are not aware of any laws or regulations specific to the industry in which the franchise business operates.

You responsible for investigating and complying with all applicable laws and regulations. You should consult with a legal advisor about legal requirements that may apply to your business.

Affiliates

Our affiliate, Franchise Real Estate, Inc. (“Franchise Real Estate”) is a real estate services company which was formed in October 2002. Franchise Real Estate’s principal business address is 2121 Vista Parkway, West Palm Beach, Florida 33411. Franchise Real Estate offers real estate services and assistance to our franchisees including demographics, site selection, lease negotiation, construction management, location design and layout, and assistance with obtaining building renovation costs. Franchise Real Estate does not offer and has not offered franchises in this or any other line of business.

None of our other affiliates provides products or services to our franchisees.

We are a member of United Franchise Group, an affiliated group of companies, located at 2121 Vista Parkway, West Palm Beach, Florida 33411 whose franchising companies are:

1. **Sign*A*Rama Inc.** ("Signarama"), the world's largest franchisor of retail sign shops that has been in franchising since April 1987, and has 669 locations in 22 countries;

2. **FP Franchising, Inc., d/b/a Fully Promoted** ("Fully Promoted"), a franchisor of retail stores for online marketing services, print marketing and branded products including, embroidered logoed apparel, that has been in franchising since September 2000 and has 264 locations in 10 countries. In January 2017, our affiliate Fully Promoted modified the principal trademark for the retail stores from "EmbroidMe" to "Fully Promoted" and currently has franchises operating as EmbroidMe stores, franchises operating as Fully Promoted stores and franchises in the process of transitioning their operation as EmbroidMe stores to Fully Promoted stores;

3. **Transworld Business Advisors, LLC** ("TBA"), a franchisor of business brokerage agencies that also provide franchise referral lead services that has been franchising since December 2010 and has agencies servicing 414 territories and licensees in 8 countries;

4. **Venture X Franchising, LLC** ("VTX"), a franchisor of co-working, collaborative office facilities that has been franchising since March 2016 and has 50 locations in 7 countries;

5. **Great Greek Franchising, LLC** ("TGG"), a franchisor of restaurants offering Greek and Mediterranean cuisine that has been franchising since January 2018, and has 24 franchise locations and 7 affiliated locations;

6. **Network Lead Exchange, LLC** ("NLX"), a franchisor of local chapters that belong to an online business networking site that has been franchising since January 2019 and has chapters in 36 territories;

7. **OE Franchising, LLC** ("OE"), a franchisor of businesses providing shared office services, including live answering service and telephone call management, executive suites, temporary office use, conference and training room use, and co-working/drop in workspace. It has been franchising since May 2022 and currently has 79 franchise locations and 1 affiliated location;

8. **CK Franchising, LLC d/b/a Cannoli Kitchen Pizza** ("CK"), a franchisor of quick service restaurants offering pizza, pasta, cannoli, and other Italian-style food items, under the brand name "Cannoli Kitchen Pizza®". It has been franchising since September 2023 and currently has 6 affiliated locations; and

9. **Exit Factor, LLC** ("EXF"), a franchisor of businesses providing business coaching and consulting services to business owners that has been franchising since September 2023.

Please note that United Franchise Group is simply a collection of affiliated distinct franchising-related brands. The brands within United Franchise Group which offer franchises that sell products or services to the general public are collectively known as "Starpoint Brands."

Neither United Franchise Group nor Starpoint Brands are an owner or parent company of any kind. United Franchise Group and Starpoint Brands are simply tradenames for a group of separate and legally distinct franchising and franchising-related brands which are affiliated with one another but separate and distinct entities.

The principal business address for our affiliates is 2121 Vista Parkway, West Palm Beach, Florida 33411. The location and territory information disclosed above for our affiliates Signarama, Fully Promoted, TBA, VTX, and OE are as of December 31, 2022. The location and territory information for TGG is as of April 30, 2023, and NLX is as of June 30, 2022. The location and territory information for CK and EXF are as of September 1, 2023.

Except as described above, none of our affiliates offer, and we have not offered, franchises in any other line of business. None of our affiliates operates a business that is similar to Graze Craze®.

## Item 2
## BUSINESS EXPERIENCE

**Ray Titus** – ***Chief Executive Officer – West Palm Beach, FL***

- Chief Executive Officer of CK since May 2023; EXF since May 2022; OE since March 2022, GCZ since March 2021, Resource Operations International LLC d/b/a Preveer ("ROI") a franchisor of businesses offering to contract out various services in West Palm Beach, FL from August 2019 to July 2022; NLX since July 2018; TGG since November 2017; J.S. Subs, LLC ("JSS") a franchisor of restaurants in West Palm Beach, FL from April 2015 to June 2022; Experimax Franchising, LLC ("EXM") a franchisor of retail computer stores that buy, sell, repair and refurbish pre-owned electronics in West Palm Beach, FL from June 2013 to August 2021; Greener Energy, LLC ("SuperGreen"), a sustainability and green energy franchise in West Palm Beach, FL from October 2010 to December 2020; and Signarama since January 2008.
- Managing Member of VTX since September 2015.
- Manager of TBA since November 2010.
- Chairman of the Board of Fully Promoted since January 2008.
- Father of A.J. and Andrew Titus; Uncle of Brady Lee.

**Brady Lee** – ***Chief Operating Officer – West Palm Beach, FL***

- Chief Operating Officer of CK since May 2023; EXF since May 2022; OE since March 2022; GCZ since March 2021; NLX, TGG, VTX, TBA, Fully Promoted and Signarama since June 2020; ROI from June 2020 to July 2022; JSS from June 2020 to June 2022; and SuperGreen from June 2020 to December 2020.
- Brand Leader of GCZ from March 2021 to December 2022.
- President of EXM from November 2020 to May 2021, and Accurate Franchising, Inc., a consulting business in West Palm Beach, FL from January 2019 to June 2020.

- Director of Sales in Sydney, Australia for NLX, TGG, JSS, VTX, EXM, SuperGreen, TBA, Fully Promoted and Signarama from March 2018 to January 2019.
- Nephew of Ray Titus.

**Todd Newton** – ***Chief Financial Officer – West Palm Beach, FL***

- Chief Financial Officer of CK since May 2023; EXF since May 2022; OE since March 2022, GCZ since March 2021, ROI from August 2019 to July 2022; NLX since July 2018; TGG since November 2017; VTX since September 2015; JSS from April 2015 to June 2022; EXM from June 2013 to August 2021; TBA since October 2010; SuperGreen from October 2010 to December 2020 and Fully Promoted and Signarama since January 2007.

**Cory Hibbard** – ***President – West Palm Beach, FL***

- President of GCZ since December 2022.
- Vice President of Operations of TBA from December 2020 to December 2022.
- Director of Operations of TBA from December 2017 to December 2020.

**Michael White** – ***Chief Development Officer – Durham, NC***

- Chief Development Officer (formerly known as Chief Revenue Officer) of CK and EXF since September 2023; OE since May 2022, GCZ since May 2021; NLX, TGG, VTX, TBA, Fully Promoted and Signarama since November 2020; ROI from November 2020 to July 2022; JSS from November 2020 to June 2022; and EXM from May 2021 to August 2021.
- President of VTX from January 2022 to June 2023.
- Director of Sales of GCZ since May 2021; ROI from January 2020 to July 2022; NLX since January 2019; TGG, VTX, TBA, Fully Promoted and Signarama since September 2018; JSS from January 2020 to June 2022; EXM from January 2020 to August 2021; and SuperGreen from September 2018 to December 2020.

**Jason Anderson** – ***Chief Strategy Officer and President of OE and VTX – West Palm Beach, FL***

- President of VTX since June 2023; and OE since July 2022.
- Chief Strategy Officer of OE since May 2022; NLX, TGG, GCZ, TBA, Fully Promoted and Signarama and VTX since January 2022.
- President of VTX from January 2019 to December 2021; and Accurate Franchising, Inc. from January 2017 to December 2018.

**Jeffrey Thompson** – ***International Director – West Palm Beach, FL***

- International Director of CK and EXF since September 2023; OE since May 2022, GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since January 2022; ROI from January 2022 to July 2022; and JSS from January 2022 to June 2022.
- Regional Vice President of GCZ since May 2021; ROI from January 2020 to July 2022; NLX since January 2019; TGG since November 2017; VTX, TBA, Fully Promoted and Signarama since January 2016; EXM from January 2016 to August 2021; JSS from January 2016 to June 2022; and SuperGreen from January 2016 to December 2020.

**James Butler** – ***Director of Sales – West Palm Beach, FL***

- Director of Sales of CK since September 2023; GCZ and TGG since January 2022; and JSS from January 2022 to June 2022.
- Senior Executive of GCZ since May 2021; TGG since December 2021; and JSS from January 2022 to June 2022.
- President of JSS from September 2018 to December 2021; and TGG from September 2018 to January 2021.

**Thomas M. Cook** – ***Area Representative – Portland, OR***

- President of Thomas M. Cook Investments, LLC, a Washington limited liability company formed in May 2017, an area representative of GCZ beginning December 2021 which sells GCZ franchises and provides support to franchisees in the state of Oregon.
- CEO of Pacific Bells, LLC, a franchisee of Taco Bell in Vancouver, WA since September 1989.

**Tipton Shonkwiler** – ***Senior Executive – West Palm Beach, FL***

- Senior Executive of CK and EXF since September 2023; OE since May 2022, GCZ since May 2021, NLX since November 2020; ROI from November 2020 to July 2022; TGG, VTX, TBA, Fully Promoted and Signarama, since January 2020; JSS from January 2020 to June 2022; EXM from November 2020 to August 2021; and SuperGreen from January 2020 to December 2020.
- Director of Global Sales of EXM and Fully Promoted from January 2020 to November 2020.
- International Director of NLX from January 2019 to December 2019; TGG from November 2017 to December 2019; and VTX, JSS, EXM, SuperGreen, TBA, Fully Promoted and Signarama from December 2015 to December 2019.

**A.J. Titus** – ***Senior Executive – West Palm Beach, FL***

- Senior Executive of CK and EXF since September 2023; OE since May 2022, GCZ since May 2021; NLX, TGG, VTX, TBA and Fully Promoted since November 2020; ROI from November 2020 to July 2022; JSS from November 2020 to June 2022; and EXM from November 2020 to August 2021.
- President of Signarama since March 2018.
- Son of Ray Titus.

**Nick Bruckner** – ***Senior Vice President of Sales – West Palm Beach, FL***

- Senior Vice President of Sales of CK and EXF since September 2023; OE since May 2022, GCZ since May 2021; ROI from January 2020 to July 2022; NLX since January 2019; TGG since November 2017; VTX since December 2015; TBA since February 2015; SuperGreen from February 2015 to December 2020; EXM from July 2014 to August 2021; Fully Promoted since October 2004; and Signarama since January 2000.
- Father of Nick Bruckner, Jr.

**Walter Seltzer** – ***Executive Vice President – West Palm Beach, FL***

- Executive Vice President of CK and EXF since September 2023; OE since May 2022; GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since January 2022; ROI from January 2022 to July 2022; and JSS from January 2022 to June 2022.
- International Director of GCZ from May 2021 to December 2021; ROI, NLX, TGG, JSS, VTX, TBA, Fully Promoted and Signarama from November 2020 to December 2021; and EXM from November 2020 to August 2021.
- Senior Executive of ROI from August 2019 to November 2020; NLX from January 2019 to November 2020; TGG from November 2017 to November 2020; and JSS, EXM, SuperGreen, TBA, Fully Promoted and Signarama, from January 2017 to November 2020.

**Ryan Papillo** – ***Director of National Accounts – West Palm Beach, FL***

- Director of National Accounts of GCZ since April 2023.
- Revenue Director of Acquisition.com, a private equity company in Boston, MA, from October 2022 to April 2023.
- Founder and CEO of PosiGivity LLC, a technology company in Boston, MA, from June 2019 to October 2022.
- Sales Director of GourmetGiftBaskets.com, a retail company in Exeter, NH, from March 2015 to June 2019.

**Colleen Brace** – ***Regional Vice President – River Vale, NJ – Northeast Region***

- Regional Vice President of CK and EXF since September 2023; Fully Promoted, GCZ, NLX, OE, SAR, TGG, TBA, and VTX since July 2022.
- Owner of Fitness with Friends, LLC, a wellness company in River Vale, NJ, since January 2020.
- Senior Vice President of ANC Sports Enterprises, LLC, a technology integration company in Purchase, NY, from July 1999 to September 2019.

**Carrie Dresner** – ***Regional Vice President – Allen, TX – Midwest Region***

- Regional Vice President of CK and EXF since September 2023; OE since May 2022, GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since April 2022; ROI from April 2022 to July 2022; and JSS from April 2022 to June 2022.
- Region Director of Camp Gladiator, a fitness franchise in Allen, TX from January 2019 to June 2022 and Partner/Trainer since September 2012.
- Area Director of Camp Gladiator from April 2016 to April 2022.

**John Fleming** – ***Regional Vice President – Seattle, WA – Pacific Northwest Region***

- Regional Vice President of CK and EXF since September 2023; OE since May 2022, GCZ since May 2021; ROI from January 2020 to July 2022; TGG, VTX, NLX, TBA, Fully Promoted and Signarama since April 2019; JSS from April 2019 to June 2022; EXM from April 2019 to August 2021; and SuperGreen in from April 2019 to December 2020.
- Director of Business Development of Resource Global Professionals, a consulting company in Seattle, WA from April 2017 to April 2019.

**Dan Nemunaitis** – ***Regional Vice President – Crystal Lake, IL – Midwest Region***

- Regional Vice President of CK and EXF since September 2023; OE since May 2022, GCZ since May 2021; ROI from January 2020 to July 2022; NLX since January 2019; TGG since November 2017; VTX since December 2015; TBA since February 2015; EXM from February 2015 to August 2021; SuperGreen from January 2014 to December 2020; Fully Promoted since December 2013; and Signarama since November 2011.

**Evan Opel** – ***Regional Vice President – Midlothian, VA – Virginia Region***

- Regional Vice President of CK and EXF since September 2023; OE, Fully Promoted, GCZ, NLX, SAR, TGG, TBA, and VTX since April 2022.
- Regional Director of Franchise Development of Tommy's Express Carwash, a franchise sales company in Richmond, VA, from July 2022 to March 2023.
- Regional Vice President of GCZ from May 2021 to July 2022; ROI from January 2020 to July 2022; NLX from January 2019 to July 2022; TGG from November 2017 to July 2022; JSS from December 2017 to June 2022; VTX, EXM, TBA, Fully Promoted and Signarama from December 2015 to July 2022 and SuperGreen from December 2015 to December 2020.

**Sean Palmer** – ***Regional Vice President – Phoenix, AZ – West Coast Region***

- Regional Vice President of CK and EXF since September 2023; OE since May 2022; GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since March 2022; ROI from March 2022 to July 2022; and JSS from March 2022 to June 2022.
- Managing Partner of Platinum North, a mergers and acquisitions firm in Sarasota, FL from September 2022 to March 2022.
- Vice President of Acquisitions of Onward for Business, a mergers and acquisitions firm in Sarasota, FL from November 2019 to September 2022.
- International Director of Anytime Fitness Asia, a fitness franchise in Singapore from November 2018 to November 2019.
- Regional Vice President of VTX, EXM, SGS, TBA, Fully Promoted and Signarama from January 2018 to October 2018.

**Gregg Quisito** – ***Regional Vice President – Atlanta, GA – Southeast Region***

- Regional Vice President of CK and EXF since September 2023; OE, GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since August 2022.
- Vice President of Sales for Celebration Marketing, LLC, a marketing company in Atlanta, GA from February 2021 to July 2022.
- Vice President of Franchise Development for LYNX Franchising, a Franchisor in Atlanta, GA from August 2017 to January 2021.

**Manuel Solorzano** – ***Regional Vice President – West Palm Beach, FL – International Region***

- Regional Vice President and Director of E2 Visas of CK and EXF since September 2023; OE, GCZ, NLX, TGG, VTX, TBA, Fully Promoted and Signarama since September 2022.
- Managing Partner of WD Business Consultants, LLC, a business broker in Weston, FL, from October 2016 to August 2022.

**Matthew Szafaryn** – ***Regional Vice President – West Palm Beach, FL – Eastern US Region***

- Regional Vice President of TGG and GCZ since January 2023.
- Sales Manager of TGG from January 2021 to December 2022; JSS from January 2021 to June 2022; and VTX from January 2020 to December 2020.
- Regional Manager of NLX from January 2019 to December 2019; and TGG, JSS, VTX, SuperGreen, TBA, Fully Promoted, and Signarama from August 2018 to December 2019.

**RJ Andersen** – ***Development Manager – West Palm Beach, FL***

- Brand Development Manager of GCZ since January 2022; and JSS from January 2022 to June 2022.
- Senior Business Advisor of JSS and TGG from December 2019 to December 2021.
- Regional Manager of JSS, TGG, EXM in West Palm Beach, FL, Fully Promoted and Signarama from April 2019 to August 2019.
- Director of Franchise Development of Jimboy's North America, a franchisor of Jimboy's Tacos in Dallas, TX from January 2018 to February 2019.

**Nick Bruckner, Jr.** – ***Development Manager – West Palm Beach, FL***

- Development Manager of GCZ since May 2021 and Signarama since September 2017.
- Son of Nick Bruckner.

**Miles Forbes** – ***Development Manager – West Palm Beach, FL***

- Development Manager of TGG and GCZ since February 2023.
- Franchise Development Representative of TGG and GCZ from January 2022 to February 2023.
- Pet Care Technician of Posh Pet Hotel, a pet boarding and daycare center in West Palm Beach, FL, from July 2019 to August 2020.
- Full-time college student from August 2017 to December 2021.

**Juan Montes De Oca** – ***Regional Manager – West Palm Beach, FL***

- Regional Manager of GCZ, OE and TBA since December 2022.
- Business Center Manager of OE from May 2017 to December 2022.

## Item 3
## LITIGATION

A. Pending Litigation: None

B. Litigation Against Franchisees Commenced in the Past Fiscal Year: None

C. Completed Litigation: None

D. Restrictive Orders:

The following injunctive order related to Signarama, an affiliate of the Company and covers certain directors, officers, and employees of Signarama:

Federal Trade Commission, Plaintiff v. Minuteman Press International, Inc., Speedy Sign-A-Rama, USA, Inc., Roy W. Titus and Jeffrey Haber, Defendants (CV 93-2496) Filed on June 4, 1993, in the United States District Court, Eastern District of New York. The Federal Trade Commission complaint alleged that the Defendants violated Section 5(a) of the Federal Trade Commission Act and the Commission's Franchise Rule (16 CFR Part 436) by falsely representing to prospective franchisees potential gross sales levels and profitability of their franchise units, failing to disclose the obligation to pay a substantial transfer fee up on the resale of the franchise, and by making earnings claims without proper documentation and in contradiction of statements in their disclosure documents. On December 18, 1998, an injunction was filed prohibiting the Defendants excluding Haber from doing the following: A. Making, or assisting in the making of, expressly or by implication, orally or in writing, to any prospective franchisee any statement or representation of past, present or future sales, income, or gross or net profits of any existing or prospective franchisee or group of franchisees, unless at the time of making such representation the defendant possesses written material that provides a reasonable basis for the representation. B. Violating any provision of the Franchise Rule 16 C.F.R. Part 436 or the Rule as it may later be amended and the disclosure requirements of the UFOC in effect at the time. C. Assessing or collecting a transfer/training fee from any franchisee who sells or assigns its franchise unless the selling franchisee received a copy of a disclosure statement indicating that such fee would be charged. D. Failing to monitor and investigate any complaints about compliance with the rule or the injunction. E. To cooperate with the Commission in the enforcement of this injunction.

The following order relates solely to Signarama:

Signarama entered into a consent order with the Securities Commissioner of Maryland in January 1996. The matter is captioned In the Matter of Speedy Sign-A-Rama, USA, Inc. and is Case No. S-95-112. It is alleged in the consent order that Signarama sold franchises in the State of Maryland after its registration under the Maryland Franchise Law had lapsed, and before it was renewed. In settlement of the matter, and while neither admitting nor denying the findings in the order, Signarama agreed to offer rescission to the franchisees, adopt a compliance program intended to avoid unregistered sales and disclose the existence of the order in its franchise disclosure document under the Maryland Franchises Law. All four franchisees stayed with Signarama.

The following order relates solely to TGG.

TGG entered into a consent order with the Department of Financial Protection and Innovation of the State of California in August 2021. The matter is captioned In the Matter of: The Commissioner of Financial Protection and Innovation v. Great Greek Franchising, LLC. The Commissioner found that TGG removed a condition of registration that was previously imposed on the franchisor, which required franchisor to defer collection of initial franchise fees until all of its pre-opening obligations were completed and franchisees commenced doing business, without express authorization from the Department, and also failed to indicate the change in the marked copy of the FDD submitted to the Department, in violation of 10 C.C.R. § 310.122.1 and Corporations Code § 31200. Franchisor also collected franchise fees prior to completing its pre-

opening obligations and franchisees opening for business, in violation of Corporations Code § 31203. In settlement of the matter, TGG agreed to desist and refrain from the violations of Corporations Code section(s) 31200, 31203, and Rule 310.122.1, pay an administrative penalty, offer rescission to each of the franchisees who were offered and sold a franchise from October 18, 2018, to August 20, 2020, and attend continuing education. As of today, TGG has mailed the rescission offers to the franchisees, paid the administrative penalty, completed the continuing education, and made all payments required under the rescission offer.

The following orders relates solely to TGG, GCZ and UFG:

In March 2022, TGG, GCZ, and UFG entered into consent orders with the State of California, and its Department of Financial Protection and Innovation, as it relates to alleged violations which occurred at a trade show in California. The matters are captioned In the Matter of: The Commissioner of Financial Protection and Innovation v. Great Greek Franchising, LLC and UFG Group, Inc. dba United Franchise Group, and In the Matter of: The Commissioner of Financial Protection and Innovation v. Great Greek Franchising, LLC and UFG Group, Inc. dba United Franchise Group. It is alleged in the consent orders that, in October 2021, TGG and GCZ, holding themselves out as members of the UFG affiliated family of brands in a booth during a trade show within the state of California, provided information regarding the franchise offerings without a valid registration or exemption to offer or sell franchises in California. More specifically, a single representative of TGG, GCZ and UFG showed an individual the Graze Craze website and that the same representative made financial performance representations regarding The Great Greek Mediterranean Grill franchise system. Further, the Department concluded that the employee's actions constituted a response to an inquiry regarding GCZ franchise offering, and a later representation by a GCZ representative that all inquiries had been declined was concluded to be untruthful. As required by the consent orders, TGG, GCZ, and UFG agreed to desist and refrain from the violations of Corporations Code section(s) 31110, 31201, and 31204, pay an administrative penalty, send a Notice of Consent Order to TGG franchisees, and contract with an independent monitor for up to three years to assist with developing, implementing, and reviewing policies and procedures of its franchise sale.

Other than these four actions, no litigation is required to be disclosed in this Item.

## Item 4
## BANKRUPTCY

On April 21, 2015, Sean Joseph Palmer, a Regional Vice President of the Company with an address and principal business address of 2929 Hwy 77, Columbiana, AL 35051 filed a bankruptcy petition under Chapter 7 of the United States Bankruptcy Code (United Bankruptcy Court for the Northern District of Alabama, Case No. 15-01601-TOM7). He was granted a discharge on July 20, 2015.

## Item 5
## INITIAL FEES

FRANCHISE AGREEMENT

Franchise Fee

When you sign your franchise agreement, you must pay us $49,500 as the initial franchise fee. Prior to signing the franchise agreement, you will be required to pay a $9,500 deposit (commonly referred to as a "binder") upon signing a Deposit Receipt, which is attached to this disclosure document as Exhibit E. At least fourteen (14) days prior to paying this binder or signing a Deposit Receipt, we will provide you with a copy of this Disclosure Document, together with a copy of all proposed agreements relating to the sale. This binder is fully refundable if you do not purchase a Graze Craze® franchise. After we receive your binder, we assist you with your search for your location. On the date you enter into your franchise agreement, the binder is applied against the initial franchise fee leaving a remainder of $40,000 to be paid at the time of signing the franchise agreement.

Eligible United States military veterans will receive a discount of 20% off of the initial franchise fee, $49,500, for their first franchise location. An eligible veteran is a veteran who has received an honorable discharge.

Owners in good standing of our affiliated brands (Signarama, Fully Promoted, TBA, OE, TGG, VTX, CK and EXF) who purchase Graze Craze® franchise will pay a reduced franchise fee of $39,500.

The initial franchise fee is non-refundable. The initial franchise fee and the binder are uniformly charged, except that 1) in one limited circumstance in the past fiscal year, we have reduced the binder for one prospective franchisee to $5,000, 2) in certain unique circumstances in the past fiscal year, we have reduced the franchise fee for a particular franchisee, in one such case as low as $29,500, and 3) in several limited circumstances, we have agreed to accept payment of the initial franchise fee within one hundred twenty (120) days of the execution of the Franchise Agreement.

Equipment Package

In addition to the initial franchise fee, you must purchase an initial Equipment Package from us as further described in Item 7. The cost of the Equipment Package is $79,584. plus taxes. A deposit of $12,500 on the Equipment Package is paid upon execution of the franchise agreement and/or multi-unit development agreement (described below), and the balance is due upon execution of a Lease for Your Store location. The cost of the Equipment Package is uniformly charged and are nonrefundable, except that 1) in certain unique circumstances in the past fiscal year, we have reduced the cost of the Equipment Package for a particular franchisee, in one such case as low as $56,175, and 2) in one limited circumstance in the past fiscal year, we have agreed to accept payment of the deposit for the Equipment Package within one hundred twenty (120) days of the execution of the Franchise Agreement.

MULTI-UNIT DEVELOPMENT AGREEMENT

Development Fee

If you and we agree that you will develop at least three (3) Graze Craze® Stores, then you will sign our Multi-Unit Development Agreement ("MUDA") in the form of Exhibit B to this disclosure document as well as the Franchise Agreement for the first Store to be developed. The Multi-Unit Development Agreement requires the Developer to pay Us a nonrefundable Development Fee equal to the Initial Franchisee Fee for the first required Store plus $20,000 for each additional required Store (as specified in the development schedule negotiated between the Developer and Us). As each required Store is developed, the Developer must pay us an initial franchise fee of $39,500 for the second unit and $29,500 for the third and subsequent units (less $20,000 credit from the development fee) for that Store. You must sign a Franchise Agreement for an additional unit within 5 days of signing a lease for or acquiring the Store premises.

## Item 6
## OTHER FEES

| Type of Fee | Amount | Due Date | Remarks |
|---|---|---|---|
| Royalty Fee[1] | 6% of your gross revenues | Payable weekly on the Tuesday of the following week | Gross revenues include all revenue from the franchise location. Gross revenues do not include documented refunds or sales tax. |
| Marketing/Brand Fund Contribution[2] | 2% of your gross revenues | Payable weekly on the Tuesday of the following week | We reserve the right to increase the Marketing/Brand Fund Contribution to 4% in the future. |
| Market Advertising Cooperative Contribution[3] | As determined by co-op. Currently, none. | As determined by co-op. | Payable to the cooperative. We have the right to establish local or regional advertising cooperatives. |
| Local Marketing | 5% of your gross revenues | Varies | Payable to vendors. You are required to spend this money throughout the year in your local market, according to our marketing guidelines. |
| Development Schedule Extension Fee | $5,000 | Prior to the deadline for opening the Store | Payable of you have a MUDA and with to extend the deadline to open a particular Store in the Development Schedule by 12 months. |

| Type of Fee | Amount | Due Date | Remarks |
|---|---|---|---|
| Training Fee[4] | $500 or then current fee for each person who attends training where the fees are not covered by the initial franchise fee | Prior to attending training | The initial franchise fee covers the fee for one person to attend initial training prior to opening your Store. The fee shown here is an attendance charge for each additional person you send to initial training. The fee is payable to Us. |
| Third-Party Vendors | Pass-through of costs, plus reasonable administrative charge. Currently, none. | Varies | We have the right to require franchisees to use third-party vendors and suppliers that we designate. Examples can include computer support vendors, mystery shopping, and customer feedback systems. The vendors and suppliers may bill franchisees directly, or we have the right to collect payment for these vendors together a reasonable markup or charge for administering the payment program. |
| Credit Card Processing | Varies | As incurred | You may have to pay a bank or third-party vendor a per transaction cost to authenticate and secure credit card transactions. |
| EPOS System fee[5] | Currently, $220 to $330 per month or the then-current fee | Monthly | Payable to Vendor |
| Website Fee | Currently, $119 per month | Monthly | Payable to Vendor. This amount may be increased as We add certain functions to the website. |
| Non-Compliance Fee | $500 | On demand | We may charge you $500 if your business is not in compliance with our system specifications or the franchise agreement and you fail to correct the non-compliance after 30 days' notice. Thereafter, we may charge you $250 per week until you correct such non-compliance. |
| Technology Fee[6] | $150 per month or then current fee | Monthly, on the 5th day of each month | Payable to Us and/or Vendor |
| Online and Third-Party Ordering Fee[7] | Currently none | As incurred. | Payable to Us |
| Customer Engagement & Loyalty/Rewards Programs[8] | Currently none, but may implement in the future | Monthly | Payable to Us or Vendor |

| Type of Fee | Amount | Due Date | Remarks |
|---|---|---|---|
| Reimbursement | Amount that we spend on your behalf, plus 10% | Within 15 days of invoice | If we pay any amount that you owe or are required to pay to a third party, you must reimburse us for the amount paid and an administrative fee. |
| Late Fee | $100 plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law) | On demand | We may charge a late fee if you fail to make a required payment when due. |
| Insufficient Funds Fee | $30 (or, if such amount exceeds the maximum allowed by law, then the maximum allowed by law) | On demand | We may charge an insufficient funds fee if a payment made by you is returned because of insufficient funds in your account. |
| Costs of Collection | Our actual costs | As incurred | Payable if we incur costs (including reasonable attorney fees) in attempting to collect amounts you owe to us. |
| Special Support Fee | Our then-current fee, plus our expenses. Currently, $600 per day. | On demand | You may request that the Company send a representative to your Store for assistance and advice. If we provide in-person support to you in response to your request, we may charge this fee plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support). |
| Customer Complaint Resolution | Our expenses | On demand | We may take any action we deem appropriate to resolve a customer complaint about your business. If we respond to a customer complaint, we may require you to reimburse us for our expenses. |
| Supplier Approval | Our cost of any tests or inspections we deemed necessary, not to exceed $1,000 | On demand | Payable only if you request we approve an alternate supplier or product. |

| Type of Fee | Amount | Due Date | Remarks |
|---|---|---|---|
| Records Audit[9] | Our actual cost | On demand | Payable only if the audit concludes that you under-reported gross revenues by more than 2% during the audited period. |
| Special Inspection Fee | Currently $600, plus our out-of-pocket costs | On demand | Payable only if we conduct an inspection of your business because of a governmental report, customer complaint or other customer feedback, or your default or non-compliance with any system specification. |
| Non-Compliance Cure Costs and Fee | Our out-of-pocket costs and internal cost allocation, plus 10% | When billed | We may cure your non-compliance on your behalf (for example, if you do not have required insurance, we may purchase insurance for you), and you will owe our costs plus a 10% administrative fee. |
| Renewal Fee | $2,500 | Thirty (30) days before renewal | Payable if you enter into a successor franchise agreement at the end of your agreement term to cover costs of closing and processing paperwork. |
| Transfer Fee[10] | The greater of (1) $29,500; (2) 10% of the price for the sale of the business (not to exceed the amount of the then current franchise fee); or (3) the then current transfer fee. | Prior to consummation of the transfer | Payable by the Seller from the proceeds of the sale of the franchise. |
| Indemnification | Our costs and losses from any legal action related to the operation of your franchise | On demand | You must indemnify and defend (with counsel reasonably acceptable to us) us and our affiliates against all losses in any action by or against us related to, or alleged to arise out of, the operation of your franchise (unless caused by our willful misconduct or gross negligence). |
| Prevailing Party's Legal Costs | Our attorney fees, court costs, and other expenses of a legal proceeding, if we are the prevailing party | On demand | In any legal proceeding, the losing party must pay the prevailing party's attorney fees, court costs and other expenses. |

Unless indicated otherwise, the fees or payments listed above are payable to us and are nonrefundable. All of the fees listed above are uniformly applied to franchisees.

[1] Our Franchise Agreement requires you to pay to us a continuing royalty, which is payable weekly. You are prohibited from offsetting or deducting this required royalty payment in any form or fashion. Reporting and payment of royalties shall be done electronically by such methods as the Company may direct from time to time. For a detailed definition of Gross Revenue, please see Article 1 of the Franchise Agreement.

[2] This Marketing/Brand Fund Contribution is paid to Graze Craze Advertising Fund, Inc. This fee will be used for system-wide advertising, Internet advertising, web hosting and development and advertising for new franchises. See Item 11 for more information regarding the Advertising Fund. In addition, you will conduct your own local marketing as described in Item 11.

[3] There are no marketing cooperatives, purchasing cooperatives, or other cooperatives; therefore, our own outlets do not have any voting power on any fees imposed by a cooperative. If a local or regional cooperative is established, company-owned Stores within the locality or region would participate. Each participating Store owned by a franchisee and each participating company-owned Store will be entitled to one vote on any fees imposed by the cooperative. The majority vote of the cooperative will determine the fees imposed by the cooperative. There are no minimum or maximum limits on fees which may be imposed by the cooperative.

[4] The initial franchise fee covers training fees for one person to attend initial training. This amount is payable to us for any additional persons sent to initial training, which also includes replacement employees attending initial training or other employees attending refresher or additional training.

[5] The EPOS System Fee covers the monthly license and maintenance and technical support fee for the electronic point of sale software. The fee varies depending on features licensed to you.

[6] The monthly Technology Fee covers website hosting and maintenance, domain names and email addresses. This fee is subject to change during the term of the franchise. We may provide additional services in the future to benefit your location.

[7] We do not currently offer online or third-party ordering, but if we offer that service in the future, we reserve the right to charge as a fee a percentage of the price paid per order, whether ordering occurs through a website, ordering occurs through a call center or business lines, ordering occurs through a mobile app, or ordering is taken by a third-party.

[8] The Customer Engagement Loyalty/Rewards Fee covers mobile, online order and delivery, loyalty and rewards, stored value, and CRM marketing platforms.

[9] You give us the right at all times to examine your electronic point of sale ("EPOS") system, financial books, bank accounts, bank statements, tax returns and records relating to the Store

together with the right to make copies. You must provide EPOS system reports and data, copies of your financial books, bank statements, tax returns and other records to us if we request. This right to audit shall also apply to any other business operated from your Store premises that is owned or controlled by you or a member of your family. You are not permitted to combine or commingle your Store operations with that of any other business. You are not permitted to use the bank account or EPOS system designated for your Store to process transactions or sales, make deposits or pay expenses for another business. You must keep the financial books and records of your Store separate and apart from your personal financial books and records and the books and records of any other business you own or operate. You must not file consolidated tax returns for the Store which consolidate the income and deductions of the Store with those of another business. This audit will be at our sole expense; provided, however, you will pay the reasonable cost of any audit where this audit discloses that you have paid less than 98% of your royalties in any one month, plus interest at the lesser of 18% or the highest rate allowed by law from the date such royalties were due. You will be required to maintain all of your financial records for a period of 6 years. You must send to us financial reports annually in the form that we request (balance sheet, profit, and loss statement, etc.). You must also provide us with copies of your tax returns on an annual basis. Financial statements and reports for the Store must not be consolidated with any other business. If you consolidate, combine, or commingle any of the financial books and records, tax returns or financial reports for the Store with those of another business or use your EPOS system or bank account designated for the Store in the operation of another business, our right to audit will be extended to the complete financial records, tax returns, books and bank accounts of the other business. The highest interest rate allowed in California is 10% annually. If your franchise is located in a jurisdiction where the franchise fee, royalty or any other fees paid by you to us are subject to a tax, you will be required to pay those taxes. You must file all state, federal and local financial reports and returns that may be required by law relative to operating your Store. We have the right to request copies of all of these reports or returns.

[10] We may increase the transfer fee during the term of the Franchise Agreement. The transfer fee has been increased in the past at the same time the initial franchise fee has been increased. The transfer fee shall never be greater than the then current Franchise Fee.

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**Item 7**
**ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**
**FRANCHISE AGREEMENT**

| Type of Expenditure | Amount | Method of Payment | When Due | To Whom Payment is to Be Made |
|---|---|---|---|---|
| Initial Franchise Fee[1] | $39,500 - $49,500 | Lump sum | Upon signing the franchise agreement | Us |
| Travel and Living Expenses (While Attending Initial Training)[2] | $250 - $2,500 | As Incurred | As incurred | Restaurants, Hotels, Airlines, Ground Transportation |
| Real Estate Lease Deposits[3] | $2,000 - $11,250 | Check | Upon execution of lease | Landlord |
| Leasehold Improvements[4] | $15,000 - $75,000 | As arranged | Prior to opening | Architect, Contractors and/or Landlord |
| Equipment, Furniture, Supplies and Fixtures[5] | $79,584 plus taxes - $87,542 plus taxes | As arranged | Upon signing the Franchise Agreement | Us |
| Opening Inventory[6] | $5,000 - $10,000 | As arranged | Prior to opening | Approved Suppliers |
| Insurance[7] | $300 - $3,000 | As arranged | As incurred | Supplier |
| Utility Deposits/Licenses[8] | $100 - $500 | As arranged | As incurred | Suppliers, Utility Providers; and/or Government Agencies |

| Type of Expenditure | Amount | | | Method of Payment | When Due | To Whom Payment is to Be Made |
|---|---|---|---|---|---|---|
| Dues and Subscriptions[9] | $0 | - | $1,000 | As arranged | As incurred | Chamber of Commerce and Associations |
| Licenses and Permits[10] | $500 | - | $1,500 | As arranged | As incurred | City, State |
| Office Expenses[11] | $250 | - | $500 | As arranged | As incurred | Suppliers |
| Architectural Services[12] | $0 | - | $12,000 | As Arranged | As Arranged | Third Parties |
| Additional Funds (for 0 – 6 Months)[13] | $20,000 | - | $40,000 | As arranged | As incurred | Employees, suppliers, and other third-party vendors |
| Total[14] | $162,484 | - | $294,292 | | | |

**YOUR ESTIMATED INITIAL INVESTMENT**
**MULTI-UNIT DEVELOPMENT AGREEMENT**

| Type of Expenditure | Amount | | | Method of Payment | When Due | To Whom Payment is to Be Made |
|---|---|---|---|---|---|---|
| Initial Franchise Fee[1] | $39,500 | - | $49,500 | Lump sum | At time of signing of Franchise Agreement | Us |
| Development Fee[1] | $69,000 | - | $275,500 | Lump sum | At time of signing of MUDA | Us |
| Remainder of Estimated Initial Investment for First Store[15] | $122,984 | - | $244,792 | As outlined in table above | As outlined in table above | As outlined in table above |
| Total[16] | $231,484 | - | $569,792 | | | |

Notes:

Except where noted otherwise, all amounts that you pay to us are nonrefundable. Third party lessors and suppliers will decide if payments to them are refundable. Neither we nor any of our affiliates offer any financing for your initial investment.

[1] Initial Franchise Fee. The payment of the initial franchise fee is discussed in detail in Item 5 of this Disclosure Document. The lower amount represents the initial franchise fee for an owner in good standing of our affiliated brands (Signarama, Fully Promoted, TBA, VTX, OE, CK, EXF, and TGG) purchasing an initial Graze Craze® franchise.

If you sign a Multi-Unit Development Agreement, in addition to the $49,500 initial franchise fee for your first Store, you will pay a reduced initial franchise fee of $39,500 for the second Store, and $29,500 for each additional Store you agree to open. If you sign a Multi-Unit Development Agreement, you will pay a nonrefundable Development Fee equal to the initial franchise fee for your first Store, $49,500, plus a deposit of $20,000 for each additional Store you agree to open. As you proceed to develop and open Stores, you will sign a franchise agreement prior to opening each additional Store. As each required Store is developed, the Developer must pay us an initial franchise fee of $39,500 for the second unit and $29,500 for the third and subsequent units (less $20,000 credit from the development fee) for that Store.

[2] Travel and Living Expenses. Standard costs for training and opening assistance are covered in the initial franchise fee. Our initial training program is 4 to 5 weeks. You or Your Operator Principal must attend the initial training program. You must pay all travel, accommodation, and living expenses for any additional individuals that attend the initial training program. We provide one round trip airfare to our Florida corporate headquarters where we hold initial training. We also provide hotel accommodations and one daily meal for one person during initial training. You will incur additional costs for other daily meals, local transportation, and your entertainment, and in connection with any additional persons attending initial training, including their travel, meal, and other costs. See Item 11 for more information.

[3] Real Estate/Real Estate Security Deposit. A typical new Graze Craze® Store generally occupies 800 to 1,200 square feet of indoor space for an in-line or end cap unit. A lease normally requires payment of the first month's rent and a deposit equal to a second month's rent. The levels of rent vary widely from area to area and for different locations within the same area. Graze Craze® Store can be located in strip shopping centers, shopping malls, free-standing units, and other venues in metropolitan and suburban areas. A location within a mall or large shopping center may be smaller but require higher rent. You should investigate all these costs in the area where You wish to establish Your Store. Site costs depend on location, size, visibility, economic, accessibility, and competitive market conditions.

We expect that you will rent your location. It is possible however, that you might choose to buy, rather than rent, real estate on which a building suitable for the Store already is constructed or could be constructed. Because numerous variables affect the value of a particular piece of real estate, this initial investment table does not reflect the potential purchase cost of real estate or the costs of constructing a building suitable for the Store.

[4] Leasehold Improvements. Typically, Graze Craze® Stores are located in retail strip centers, shopping plazas or at stand-alone locations. The cost of purchasing or leasing and developing a site for a Graze Craze® franchise may vary considerably depending on such factors as geographic location, size, materials expense, subcontractor expense, tenant landlord improvement allowances, and the local real estate market. Depending on the floor plan, you will need a space between 800 to 1,200 square feet. You will pay all construction expenses, including the cost of all required site work, leasehold improvements, and permitting expenses. The high estimated amount is dependent on the extent of build out required. We will provide you with mandatory specifications and layouts for your Graze Craze® franchise location, including requirements for dimensions, design, image, interior layout, decor, fixtures, color scheme and other suggestions. The lower figure assumes the landlord bears many of these costs, which might then be included in the rent.

[5] Equipment, Furniture, Supplies and Fixtures. These fees include required Store equipment, fixtures, furniture, point-of-sale system, digital menu system and display monitors, management computer, interior décor, exterior signage, and small wares including small kitchen appliances, kitchen utensils, silverware, and tableware supplies. These fees include refrigeration, freezer, shipping, delivery, installation, and other related items described in further detail in Schedule A to the Franchise Agreement. The investment amount might increase depending on additions such as additional square footage for your Store, additional equipment options, and signage. A deposit of $12,500 on the Equipment Package is paid upon execution of the franchise agreement and/or multi-unit development agreement (described below), and the balance is due upon execution of a Lease for Your Store location.

[6] Opening Inventory. This is an estimate of the initial food, paper inventory, and packaging.

[7] Insurance. The cost of insurance varies depending on many factors. You should contact Your insurance agent and obtain an estimate of Your actual insurance costs. You are obligated under the Franchise Agreement to hold certain business insurance policies including comprehensive general liability policy, a policy covering "all risk" of physical loss, hired and non-owned auto insurance and additional policies as may be required under your local laws or ordinances. We also recommend that you obtain worker's compensation, cyber liability, data security and business interruption insurance. The amount listed in this table reflects our estimate of basic insurance for your first six months of operation. Your expenses will vary depending on your exact requirements as dictated by your landlord and/or local insurance rates.

[8] Utility Deposits/Licenses. You will need to provide deposits for your utilities. The amounts of these deposits will vary depending on the practices of your utilities. You must also register your business with the local county along with a fictitious name and other requirements of your local or state government. Each of these entities may charge a fee for your registration and/or certain taxes. The estimates in this table assume that you do not sell beer and wine. You are not required to serve beer and wine, but you may do so. The cost of a license to serve beer and wine, or to serve all alcoholic beverages, will vary widely by the jurisdiction in which your business is located. If you plan to serve alcoholic beverages, you should investigate the costs and other requirements of the appropriate licenses in your jurisdiction.

[9] Dues and Subscriptions are costs associated with joining the chamber of commerce and other related industry associations and groups you will join as part of promoting the franchised business in your local market.

[10] Licenses and Permits relates to the costs associated with obtaining necessary permitting and licensing you will need in order to operate the food service business. These costs will be paid to your city, state, and other authorities.

[11] Office Expenses are basic office supplies needed to open and start the franchised business including pens, paper, ink, and other office costs.

[12] The range in this chart represents an estimated cost to purchase a full set of architectural drawings ready to submit to local municipalities for permitting, if required by the municipality. You must have prepared, all at your expense, all required construction plans and specifications to suit the shape and dimensions of the franchise location and must ensure that the plans and specifications comply with all applicable federal, state, or local laws, codes, regulations, ordinances, building codes and permit requirements and with lease requirements and restrictions.

[13] You will need capital to support your ongoing expenses, e.g. payroll and utilities, to the extent that these costs are not covered by sales revenue when you first open. This figure does not include sums necessary for living or personal expenses nor payments for any debt service you may have. New businesses often generate a negative cash flow for a time. We estimate the amount given will be sufficient to cover on-going expenses for the start-up phase of your business that we calculate to be up to six months. However, this is only an estimate and we cannot assure you that additional capital will not be necessary during your start-up phase. Our estimate is based on our good faith calculations from the prior development of five Graze Craze® affiliate Stores in Oklahoma and our experience in franchising Graze Craze® Stores over the last two years. Your costs will depend on factors such as how much you follow our System and procedures, your management skills and experience, your business skills, local economic conditions, the prevailing wage rate, the local market for the Store, competition and sales levels reached during the start-up phase.

[14] The total investment ranges described in this Item 7 were derived from our experience in the retail and restaurant services industry.

[15] If you sign a Multi-Unit Development Agreement, you should be aware that your initial investment for your 2nd and subsequent Stores could be higher than your initial investment for your 1st Store due to inflation and other economic and market factors that fluctuate over time.

[16] The total investment ranges described in this Item 7 were derived from our experience in the retail and restaurant services industry and based on the development of three (3) to ten (10) Graze Craze® Stores.

This is Our estimate of the total expenses to start Your Store. Except as otherwise noted, none of these payments are refundable. We will not finance any of these payments. The total is an estimate of your initial investment and is based on our good faith calculations from the prior development of five Graze Craze® affiliate Stores in Oklahoma. We encourage you to seek the

advice of your business advisor, accountant, or attorney to help formulate a business plan and a methodology of your business operation. *Remember: A business plan is an important step in understanding your financial needs.* Your costs will depend to a great extent on Your area, the size of Your Store; how much You follow the System and its procedures; Your management skill, experience, and business acumen; and the sales level reached during the initial period. You are cautioned to allow for inflation, discretionary expenditures, fluctuating interest rates and other costs of financing, and other local market conditions, which can be highly variable. You must bear any deviation or escalation in costs from the estimates in this Item 7.

We expect that you will rent your location. It is possible however, that you might choose to buy, rather than rent, real estate on which a building suitable for the Store already is constructed or could be constructed. Because numerous variables affect the value of a particular piece of real estate, this initial investment table does not reflect the potential purchase cost of real estate or the costs of constructing a building suitable for the Store.

## Item 8
## RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Generally

We have the right to require you to purchase or lease all goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating your business (1) either from us, our designee, or from suppliers approved by us: or (2) according to our specifications.

Specific Obligations

The following are our current specific obligations for purchases and leases:

A. Real Estate. Your business location is subject to our approval and must meet our specifications. Each Store must be constructed or remodeled to Our specifications. You must obtain Our written approval of any proposed alterations to Our specifications before any work is begun. You must improve and equip the building from which you operate the Store in accordance with our then current approved design specifications and standards. In addition to meeting our design specifications and standards, it is your responsibility to ensure that your building plans comply with the Americans with Disabilities Act and all other federal, state, or local laws..

B. Insurance. You must obtain insurance as described in the franchise agreement and in our Manual, which currently includes: (i) comprehensive general liability policy with a minimum combined single limit covering bodily injury and property damage with respect to the business location and products, and completed operations of $1,000,000; (ii) all-risk property insurance including fire, vandalism, theft, burglary and extended coverage with primary and excess limits of at least 80% replacement value of the business and its inventory, equipment and fixtures; (iii) Employment Practices Liability Insurance with a combined single limit of at least $500,000 including full prior acts coverage, third party coverage and Fair Labor Standard Acts coverage; (iv) auto liability and physical damage coverage: $1 million combined single limit, $1

million hired/non-owned liability, $5,000 medical payments or Personal Injury Protection, and $1 million uninsured/underinsured motorists liability; (v) if your business serves alcoholic beverages, separate coverage for liquor liability (commonly referred to as Dram Shop Liability) with limits of not less than $1,000,000 single limit per occurrence and $2,000,000 aggregate limit; and (vi) all insurance required by applicable law, including workers' compensation and disability (limits may vary according to geographical location). Your policies (other than Workers Compensation) must list us and our affiliates as an additional insured, must include a waiver of subrogation in favor of us and our affiliates, must be primary and non-contributing with any insurance carried by us or our affiliates, and must stipulate that we receive 30 days' prior written notice of cancellation.

The general liability insurance policy must name us as an "Additional Insured—Grantor of Franchise per form CG2029 or equivalent," for claims arising from your Store's operation. You should investigate the area in which you will operate to determine whether this insurance coverage is appropriate for your operations. You should consult with an insurance advisor to decide the coverage that is best for you.

C. Point-of-Sale Software and Hardware, and Related Software and Hardware. You must purchase (or lease) the point-of-sale software and hardware, and related software and hardware, that we specify. See Item 11 for more details. You must license your point-of-sale software from an exclusive supplier we designate. The supplier is the only approved supplier for the point-of-sale software. You are also required to use payroll services and credit card processing and merchant services vendors in your operations. We have approved suppliers for these services and for insurance and bookkeeping software. These specific items and services can be purchased from our approved suppliers or another vendor of your choice. For the fiscal year ended June 30, 2023, our gross revenue from franchisee purchases of these services was $0 or 0% of our total revenue of $5,750,395.

D. Equipment Package. You must buy an equipment package from us. The package contains substantially all of the equipment, appliances, furniture, fixtures and signage you will need to begin operation. The equipment package is further described in Schedule A attached to the franchise agreement. For the year ended June 30, 2023, our gross revenue from equipment package sales to franchisees was $2,059,047 or 35.8% of our total revenue of $5,750,395.

E. Food Supplier. We have entered into supply agreements with Restaurant Partners Procurement. We may receive payments from suppliers in connection with franchise purchases. The suppliers also may sponsor events and/or rent booths at our franchisee meetings and may advertise in publications issued by us. Except as disclosed above, we derive no revenue or other material benefit from suppliers that provide products or services to our franchisees. We do not provide material benefits to our franchisees based on a franchisee's use of an approved source. During the last fiscal year, neither We nor any affiliate received any revenues as a result of franchisee purchases.

F. Phone Services. You must purchase telephone services from Ring Central. We expect to receive payments from Ring Central in connection with franchise purchases. During the last fiscal year, neither We nor any affiliate received any revenues as a result of franchisee purchases.

G. Internet Services. You must purchase website, domain and email hosting and maintenance services from us. During the last fiscal year, neither We nor any affiliate received any revenues as a result of franchisee purchases. We are the only approved supplier of website, domain and email hosting and maintenance services.

H. Website/Online Menu. We have entered into an agreement with Popmenu, Inc. ("Popmenu"). You must enter into an agreement for menu services with Popmenu. We receive a rebate from Popmenu in the form of a flat amount per store. During the last fiscal year, neither We nor any affiliate received any revenues as a result of franchisee purchases.

Except as described above, neither we nor any affiliate is currently a supplier of any good or service that you must purchase, although we reserve the right to be a supplier (or the sole supplier) of a good or service in the future. You may be required to purchase from Us in the future software, Internet, and multi-area marketing programs, and to participate in these programs. There are no such requirements at this time, and we estimate based on present circumstances, that these required purchases will be less than one percent of Your purchases and leases.

Alternative Suppliers

Unless we have determined that we have an adequate number of suppliers available for the System, you are free to suggest alternative suppliers who must meet our criteria, and we will make available to you our criteria for approval of alternative suppliers. We do not issue or make available to your or any proposed alternative supplier any of our specifications and standards which we may modify at any time. In the event that You desire to purchase or use any products which are not approved by the Company, You may submit to us full particulars of such proposed items, including a reasonable supply thereof, for us to make a determination whether the proposed item meets our standards and specifications. You will pay the full cost of any tests or inspections of such items as the Company deems necessary, and You shall not use or sell such items unless and until they have been approved in writing by the Company. The cost of such testing and inspection shall not exceed $1,000. The testing and inspection will be completed within 30 days of Your request and the submission of the required samples. The Company shall be entitled to revoke its approval if any item fails to continue to meet its standards and specifications and will notify You in writing if it takes this action. You shall offer all products and services, and only those products and services, as may be designated by the Company. All such products and services shall be provided by You exactly as required by the Company.

Issuing Specifications and Standards

We issue specifications and standards to you for applicable aspects of the franchise in our Manual and/or in written directives. We may issue new specifications and standards for any aspect of our brand system, or modify existing specifications and standards, at any time by revising our Manual and/or issuing new written directives (which may be communicated to you by any method we choose). We will generally (but are not obligated to) issue new or revised specifications only after thorough testing in our headquarters, in company-owned outlets, and/or a limited market test in multiple units.

You may use only marketing and promotional materials that we have approved (See Items 6 and 11 for more information on marketing).

Our standards, specifications and designation of approved suppliers disclosed above are required for the purpose of protecting the goodwill associated with the Graze Craze® trademarks and to ensure a uniform image and uniform quality services in all Graze Craze® Stores. We will vary our standards, specifications, and designations at your request if necessary, for you to comply with local laws or regulations.

Proportion of Required Purchases and Leases

We estimate that the required purchases and leases to establish your business are 90% to 95% of your total purchases and leases to establish your business.

We estimate that the required purchases and leases of goods and services to operate your business are 90% to 97% of your total purchases and leases of goods and services to operate your business.

Payments by Designated Suppliers to Us

We may receive payments from suppliers in connection with franchisee purchases. The payments from these suppliers are expected to be in a range of 0-5% of the total purchases by franchisees from these suppliers.

Purchasing or Distribution Cooperatives

There are no purchasing or distribution cooperatives in the System that offer to you certain products used in the franchise business. In the future, we intend to negotiate price terms with approved suppliers for the benefit of its franchisees.

Negotiated Arrangements

We have not negotiated purchase arrangements with suppliers, including price terms, for the benefit of franchisees; however, we intend to negotiate purchase arrangements in the future.

Benefits Provided to You for Purchases

We do not provide any material benefit to you based on your purchase of particular goods or services, or your use of particular suppliers.

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## Item 9
## FRANCHISEE'S OBLIGATIONS

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

| Obligation | Section in Agreement | Disclosure Document Item |
|---|---|---|
| a. Site selection and acquisition/lease | §§ 6.1, 6.2 | Item 11 |
| b. Pre-opening purchase/leases | §§ 4.4, 6.2, 6.3 | Items 5, 7, 8 and 11 |
| c. Site development and other pre-opening requirements | Article 6 | Items 5, 7, 8 and 11 |
| d. Initial and ongoing training | §§ 5.1, 6.4, 7.5, 7.6 | Items 6, 7, 8 and 11 |
| e. Opening | §§ 6.5, 6.6 | Items 7, 8 and 11 |
| f. Fees | Article 4, §§ 3.2(v), 5.1, 5.2, 7.8, 8.3, 8.4, 9.4(d), 10.5, 11.2, 11.3, 15.2(i), 16.1, 17.6 | Items 5, 6 and 7 |
| g. Compliance with standards and policies/operating manual | §§ 6.3, 7.1, 7.3, 7.5, 7.9 – 7.13, 7.15, 7.24, 8.1, 10.1, 10.4, 11.1 | Items 8, 11 and 14 |
| h. Trademarks and proprietary information | Article 12, § 13.1 | Items 13 and 14 |
| i. Restrictions on products/services offered | § 7.3 | Items 8 and 16 |
| j. Warranty and customer service requirements | §§ 7.3, 7.8, 7.9 | Item 8 |
| k. Territorial development and sales quotas | Not applicable | Item 12 |
| l. Ongoing product/service purchases | Article 8 | Items 6 and 8 |
| m. Maintenance, appearance, and remodeling requirements | §§ 7.12, 7.13 | Items 6, 7 and 8 |
| n. Insurance | § 7.15 | Items 6, 7 and 8 |
| o. Advertising | Article 9 | Items 6, 7, 8 and 11 |
| p. Indemnification | Article 16 | Items 6 and 8 |
| q. Owner's participation/management/staffing | § 2.3 | Item 15 |

| Obligation | Section in Agreement | Disclosure Document Item |
|---|---|---|
| r. Records and reports | Article 10 | Item 11 |
| s. Inspections and audits | §§ 10.5, 11.2 | Items 6 and 11 |
| t. Transfer | Article 15 | Items 6 and 17 |
| u. Renewal | § 3.2 | Items 6 and Item 17 |
| v. Post-termination obligations | §§13.1, 13.2(b), 14.2 to 14.6 | Item 17 |
| w. Non-competition covenants | § 13.2 | Item 17 |
| x. Dispute resolution | Article 17 | Items 6 and 17 |
| y. Other | Not applicable | Not applicable |

## Item 10
## FINANCING

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

## Item 11
## FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

Our Pre-Opening Obligations

Before you open your business (Section 5.1):

A. At least 14 days after we provide you with a copy of this Disclosure Document, together with a copy of any proposed agreements relating to the sale of the franchise, you pay to us your fully refundable deposit of $9,500, and we begin the process of helping you find a location for your Graze Craze® Store. If you sign a Multi-Unit Development Agreement, we will approve the location of future sites and territories for those sites, and our then-current standards for sites and territories will apply. We are not obligated to further assist you in locating a site or negotiating the purchase or lease of the site, but you may engage our affiliate, Franchise Real Estate, to assist with you these matters.

(i) We generally do not own your location.

(ii) If your site is not already known and approved by us when you sign your franchise agreement, then we and you will specify in your franchise agreement the area in which you must select a site (Section 6.1). We do not select your site, but your site is subject to our approval. To obtain our approval, you must provide all information and documents about the site that we require.

(iii) The factors we consider in approving sites are general location and neighborhood, competition, trade area demographics, traffic patterns, parking, size, physical characteristics of existing buildings, and lease terms.

(iv) The time limit for us to approve or disapprove your proposed site is 30 days after you submit all of our required documents and information. (Section 6.1). If we and you cannot agree on a site, you will be unable to comply with your obligation to develop and open the franchise by the deadline stated in the franchise agreement. Unless we agree to extend the deadline, you will be in default and we may terminate your franchise agreement.

(v) We are not obligated to assist you in conforming the location of your site to local ordinances and building codes and obtaining any required permits. This will be your responsibility.

B. We will provide advice in regard to establishing your business [Section 5.1(a)].

C. We will loan to you prototype architectural drawings for your location [Section 5.1(d)].

D. We will advise you with regard to the way in which fixtures and equipment are to be installed in the location with a view to the efficient operation of the business [Section 5.1(e)].

E. We will sell to you the appliances, signs, fixtures, furniture and other items listed in Schedule A to the Franchise Agreement, and will deliver and install these items. We reserve the right to sell these items directly or to sell them to you through another affiliate or third party [Section 5.1(f)].

F. We will provide you with a list of approved suppliers of the products to be sold at the business [Section 5.1(g)].

G. We will inspect the business upon completion of construction and installation of the equipment, furniture and fixtures to determine that it meets our current standards [Section 5.1(h)].

H. We will make available to you our standard initial training at our headquarters and potentially a Store location we designate [Section 5.1(i)].

I. We will provide, for a period of ten days, a member of our staff to assist in initial on-site training and guidance on commencement of operations of the business. We will pay the travel and other costs of our staff member for this purpose [Section 5.1(j)].

J. We will provide you with our detailed Operating Manual, which includes statements of policies and procedures, together with instruction and advice in the operation of a Graze Craze®[Section 5.1(k)].

K. We will provide you with other relevant manuals and written material which we deem necessary [Section 5.1(l)].

Length of Time To Open

The typical length of time between signing the franchise agreement and the opening of your business is three to eight months. Factors that may affect the time period include your ability to obtain a lease, obtaining financing, obtaining business permits and licenses, hiring employees, and shortages or delayed installation of equipment, fixtures, and signs.

Our Post-Opening Obligations

After you open your business (Section 5.2):

A. We will provide you with details of any alterations and/or improvements in or to the System [Section 5.2(a)].

B. At no cost to you, we will periodically visit your business and furnish to you such advice and assistance as is, from time to time, reasonably required in our sole discretion. Operating assistance may consist of advice and guidance with respect to:

(i) Methods and procedures for the purchase, storage, display, preparation and sale of approved products and the supply of approved services [Section 5.2(b)(i)];

(ii) New and additional products and services as we may approve, from time to time, to be used or offered for sale by the business [Section 5.2(b)(ii)];

(iii) The purchase, operation, maintenance and use of equipment, displays, uniforms, materials and supplies [Section 5.2(b)(iii)];

(iv) Implementing advertising and promotional programs approved by us [Section 5.2(b)(iv)];

(v) Establishing and implementing of administrative, bookkeeping, accounting, inventory control, and general operating procedures for the operation of the business [Section 5.2(b)(v)];

(vi) Prices to be charged for menu items [Section 5.2(b)(vi)]; and

(vii) The operation, cleanliness, and efficiency of the business [Section 5.2(b)(vii)].

C. You may at any time request that we send a field/marketing representative to aid you in the business. If we have a representative available at the time of the request, we will send a representative at our then-current fee for special assistance (including travel expenses) [Section 5.2(c)].

D. We will, from time to time, free of charge, send you bulletins on sales and service methods, marketing development and techniques, and/or business and operating procedures [Section 5.2(d)].

E. We will offer advice regarding your equipment, computer hardware and software, and food service processes by telephone and electronic communication [Section 5.2(e)].

Advertising

A. *Our obligation*. We will develop marketing, promotion and advertising programs designed to promote Graze Craze® businesses. Your participation in all such advertising and sales promotion programs must be in full and complete accordance with any terms and conditions as we may have established.

We will provide access to advertising and marketing materials and services to You. We currently conduct marketing at a trade area level to encourage visits from potential, as well as prior, customers. We may also use premium incentives and product awareness campaigns in advertising and promotion. Advertising media may include print, Internet, fundraisers, social networking sites, public relations campaigns and radio or television (primarily local in scope). Whenever possible, the material is produced in-house or provided by vendors.

B. *Your own advertising material*. You may develop advertising materials for Your own use at Your own cost. All advertising materials must have been approved by Us in advance and in writing. Approval takes between 30 and 60 days. All of Your advertising, promotion and marketing must be completely clear and factual, not misleading, conform to the highest standards of ethical marketing and promotion policies, and comply with all truth in advertising laws. You must submit to Us samples of all advertising, promotional and marketing materials (including Internet or electronic media marketing material) for Our prior written approval. You must only use advertising copy and other materials which are in strict compliance with Our requirements, as set forth in the Manual or otherwise.

There are no restrictions on Your advertising, except that You may not advertise independently on the Internet, including any social networking sites, or outside Your territory, and that Your advertising must be approved by Us, as stated above. You may not establish or maintain any website or any type of presence on the Internet or World Wide Web that in any manner whatsoever uses the Marks without Our prior written approval. You must adhere to the social media policies that We establish from time to time, and must require Your employees to do so as well. You must participate in Our "e-club" marketing campaigns, Gift Card program, Loyal Customer program and similar marketing programs as they are developed.

C. *Advertising council*. We do not have an advertising council of franchisees to advise us on advertising policies, although we reserve the right to form one in the future.

D. *Local or Regional Advertising Cooperatives.* We do not currently have any local or regional advertising cooperatives; however, we have the right to require you to participate in a local or regional advertising cooperative if one is formed for your area.

We will define the area of the cooperative based on media markets, or other geographic criteria that we deem appropriate. The amount you must contribute to the cooperative will be determined by vote of the members and franchisees in the same cooperative will contribute at the same rate. If our own outlets are members of a cooperative, they must contribute to the cooperative on the same basis as franchisees.

We administer the cooperative, but we have the right to delegate responsibility for administration to an outside company such as advertising agency or accounting firm, or to the franchisee members of the cooperative. We have the right to require the cooperative to operate from written bylaws or other governing documents that we determine. The documents are not currently available for you to review.

Cooperatives must prepare annual financial statements which are available for review only by us and by the members of cooperative. We have the power to require cooperatives to be formed, changed, dissolved, or merged.

E. *Marketing/Brand Fund*. You must contribute 2% of Your Store's Gross Revenues to the Marketing/Brand Fund. The Company reserves the right to increase the Marketing/Brand Fund Contribution to 4%. This fee will be collected by automatic withdrawal from your designated bank account.

We will administer the Marketing/Brand Fund and spend Marketing/Brand Fund Fees only for the purposes described in the Franchise Agreement and follow the procedures contained in the Marketing/Brand Fund Policy described in the Manual.

The Marketing/Brand Fund which will be used to develop, produce, and administer marketing programs designed to increase brand awareness for all Stores systemwide. Advertising may be in the form of print ads, radio, television, or electronic media and may be conducted on a local, regional and/or national basis. We may use a national or regional advertising agency or in-house advertising to create and place advertising. All interest earned on monies contributed to the Marketing/Brand Fund will be used for the same purpose.

The purpose of the Marketing/Brand Fund is to develop advertising and marketing programs that will benefit all Stores wherever located. We cannot ensure that the Marketing/Brand Fund's expenditures will be equally beneficial or proportionate to each Store's contributions. There is no obligation to use the assets of the Marketing/Brand Fund to spend any amount in the area in which your Store is located.

Stores owned and operated by us are not obligated to pay Marketing/Brand Fund Contributions.

We administer the Marketing/Brand Fund and manage the financial and administrative functions of the Marketing/Brand Fund. The Marketing/Brand Fund is not audited. We will make unaudited annual financial statements available to franchisees upon request. If not all funds are spent in the fiscal year in which they accrue, the money will remain in the Marketing/Brand Fund to be spent in the next year. During calendar year 2022, expenditures by the Marketing/Brand Fund by category were as follows: Administration – 100.0% ($70).

We have spent Marketing/Brand Funds for project management, marketing and software solution services, provided by Gorilla Dash, Inc.

In our last fiscal year, We have not used any Marketing/Brand Fund fees to solicit new franchise sales.

F. *Required spending*. In addition to the Marketing/Brand Fund Contributions, you will be responsible for all of your own direct marketing and local advertising of the business. You must expend at least an amount equal to 5% of all gross revenues on local advertising (including public relations) in each year. For the purposes of this paragraph, the term "local marketing" shall mean all marketing and public relations costs, advertising and promotions affected through the medium of the Internet, mobile marketing, email and other digital communications media, local radio or television broadcasts, newspapers, periodicals, billboard advertising and public relations. Upon our request, you must submit to us an accounting of the monies you have spent, together with copies/proof of all marketing. We must approve your marketing materials prior to their use. We will not unreasonably withhold approval of any marketing materials that you propose to use, if your materials are factually accurate and current, conform to the highest standards of ethical marketing and all applicable laws and regulations, are in good taste and accurately depict the Marks. Our review and approval of your marketing materials is not a warranty of any kind. You are responsible for ensuring that your materials are factually accurate and current, and all materials and activities conform to the highest standards of ethical marketing and applicable laws and regulations.

You must participate in all other sales and promotional activities as the Company may reasonably require and pay the costs of such programs upon demand. You are prohibited from offering any coupons without the prior written consent of the Company. If you issue coupons in violation of this agreement, which coupons are redeemed at other Graze Craze® Stores, you shall be obligated to pay the owner of such location(s) two times the amount of the coupon redeemed. Such remedy is in addition to our right to terminate your Multi-Unit Development Agreement and your Franchise Agreements due to your breach.

Point-of-Sale and Computer Hardware and Software Systems

You must install and use computer systems, including hardware and software, meeting our specifications, as modified from time to time in response to business, operations, and market conditions, as stated in the Operating Manual. The computer system described below is a POS System you will use to take orders and make sales of food and beverages. The POS System may include an integrated customer loyalty and rewards program and customer relationship management (CRM) database, mobile and on-line ordering, delivery interface, stored value, and gift cards, or they may be separate programs, depending on the current vendors. The physical

POS Hardware and Software is included in the Schedule A to the Franchise Agreement. The monthly licensing fees are not included with your Schedule A.

You will use a POS System that is built on a state-of-the-art hardware platform that includes: 1 terminal for your front Store area allowing for multiple people to simultaneously take orders, display stands, 1 customer receipt printer and 1 cash drawer. Please note that this is a standard POS System configuration and is subject to change pending factors such as the size of your Store, among other factors. Any additional hardware may be available at your expense. The Company will build out the internal ordering interface and will maintain functionality, including menu updates and any new modules. Franchisees may be given permission to customize regional functionality at the discretion of the Company.

You must upgrade or update any system when we determine. There is no contractual limit on the frequency or cost of this obligation.

The subscription for the point-of-sale system is $220 to $330 per month, depending on the features or options you obtain for your EPOS System or the then current fee which includes software licensing, loyalty rewards program, hardware insurance and technical support, mobile and on-line ordering, delivery interface, stored value and gift cards, enterprise, and business management software. We estimate that the costs to buy or lease the required computer hardware and software is $0 to $3,000. Additionally, we estimate that the annual cost of any optional or required maintenance, updating, upgrading, or support contracts will be $0 to $1,000. We have no contractual obligation to provide maintenance, repairs, upgrades, support, or maintenance to the EPOS System.

You must give us independent access to the information that will be generated or stored in these systems. The information that we may access will include sales, customer data, reports and any other data which may be stored or hosted on servers. There is no contractual limitation on our right to access the information.

Selection of Your Store Location

*A.* *Franchise Agreement*

In assisting you to locate your Store site, we analyze demographic information regarding your community. We generally will respond within 60 days of your request for approval of a proposed site. If Company does not approve the site you proposed, Company will allow you to examine alternative sites for your Store. Approval must be obtained and operations must commence within 300 days of the date of the Franchise Agreement. While we will not unreasonably withhold our approval of a site, if we cannot agree with you on a site, you may forfeit your initial franchise fee. The Franchise Agreement does not have any provision that addresses termination if you do not select a site within a prescribed period. We may terminate the Franchise Agreement, if you have not commenced operation of the Store from an approved site within 300 days from the date of the Franchise Agreement unless the period is extended by us.

You may locate your own site rather than utilizing our assistance. However, you and Company must mutually agree on your location prior to opening. Our approval is not a warranty or a guarantee of your success at your selected location, and you retain final approval of the site selected and leased by you.

We consider some of the following factors when assessing the acceptability of a Store location:

- Population volume
- Business and commercial enterprises readily available
- Commercial income
- Competitive analysis
- Accessibility by car
- Accessibility by walk in traffic
- Financial institutions in the area
- Accessibility to Post Office, Banks, and other businesses
- Parking
- Sign exposure
- Square footage
- Rent
- Visibility
- Traffic
- Proximity to other Graze Craze Stores
- Condition of premises
- Cost of construction
- Length of construction time
- Landlord contributions
- Surrounding tenants and landlord
- Other factors

We obtain our demographic information from some of the following sources:

- The U.S. Post Office
- Your local, state, and national and international Chambers of Commerce
- Your local Better Business Bureau
- Newspaper
- Building and Development Departments
- Physical Inspections and Business Counts
- Demographic surveys using computer programs
- Local business (traffic counts from next door neighbors.)
- Online real estate and data analytics platforms.

A franchisee is required to begin construction on their Store location prior to attending our initial training program. The total time from the signing of the Franchise Agreement to the opening of a new Store location is typically from three to eight months. Factors that may affect this time

period include the ability to procure and install equipment and computers, make acceptable financial arrangements, obtain any required approvals in zoning and/or building permits, as well as resolve other factors bearing on construction.

*B. Multi-Unit Development Agreement*

We may terminate the MUDA, if you fail to open Stores according to a Development Schedule which is contained in the MUDA.

Operating Manual

See Exhibit G for the table of contents of our Manual as of the date this disclosure document, with the number of pages devoted to each subject. The total number of pages in the Manual is 123.

Training Program

Our training program consists of the following:

**TRAINING PROGRAM**

| **Week 1** | |
|---|---|
| **Subject** | **Hours** |
| Introduction/Orientation | 2 |
| Intro to Menu Execution and Store Operations | 2 |
| Vendor Ordering Process | 1 |
| Brand Awareness | .75 |
| Goal Setting | 1 |
| Paychex | .5 |
| Personnel | 3 |
| Vendor Relations | 1 |
| Basic Equipment Maintenance and Repair | 1 |
| Financial Management | 1.5 |
| Marketing | 1 |
| Digital Marketing | 1 |
| Food Safety and Sanitation | 3 |
| Brand Introduction (Mission Statement, Core Values) | 1.5 |
| Community Involvement | 1 |
| Hot Line | .5 |
| Cold Line | 1 |
| Opening/Closing | .5 |
| Company Culture | 2 |
| 60 Second Commercial | 1 |

| Week 1 | |
|---|---|
| **Subject** | **Hours** |
| Customer Service 1 & 2 | 2 |
| Total Hours | 28.25 |

| Week 2 | |
|---|---|
| **Subject** | **Hours** |
| Social Media Policies / Corporate Accounts / Selling a Board | 3 |
| Labor Management/Scheduling | 3 |
| Food Cost Management/Inventory | 5.5 |
| Local Marketing | 2 |
| Front of House Management | 1.5 |
| Intro to Financials | 1 |
| Point of Sale System & Cash Accountability | 2 |
| Hot Line | 1 |
| Cold Line | 1 |
| Grand Opening Package | 1.5 |
| Morning Mixer | .5 |
| Overcoming Objections | 1 |
| Storage | 1.5 |
| Opening/Closing | 1 |
| Driving Sales 1 & 2 | 3 |
| Training & Development | 1.5 |
| Walter Bond | 2 |
| Community Involvement | 1 |
| 60 Second Commercial | 2 |
| Sales and Marketing | 1 |
| Next Steps | 1 |
| Customer Service 1 & 2 | 2 |
| Total Hours | 39 |

We anticipate holding a training class for new franchisees once per month during 2023-24. Training will be held at our offices in West Palm Beach, Florida. In the future, we may designate other Stores as "Certified Training Stores" that are authorized to conduct our training program. Although it is not required, you may attend a refresher-training program or send your representative to be trained at any time in the future. All you have to do is pay your travel, lodging, meals and a training fee if charged at that time. For a complete list of your rights and obligations under your Franchise Agreement in regard to training, please consult the Franchise Agreement Sections 7 and 8.

The instructional materials consist of the Manual and other materials, lectures, discussions, and on-the-job demonstration and practice.

David Esposito is our training instructor. He joined one of our affiliates as a Business Advisor in January 2023 and became a training instructor in October 2023. Prior to joining our affiliate, he worked at several restaurants over a period of 20 years.

You or your general manager must attend our initial training at our headquarters and in the future may be required to attend training at a Certified Training Store.

There is no fee for one person to attend our initial training. We will pay for one round-trip airfare (not including baggage or other fees) to West Palm Beach, Florida, and hotel accommodations and one daily meal for the duration of initial training for one person. We will charge a fee (currently $500 per person) for additional attendees, and you are responsible for their travel, lodging and meal expense. (The foregoing assumes you sign a franchise agreement to develop a new Graze Craze® business. If instead you purchase an existing business, and you have not previously attended our initial training program, then you must pay the training fee and your own costs of travel, lodging and meal expense).

Except as described above, we do not currently require additional training programs or refresher courses, but we have the right to do so.

Although it is not required, you may attend a refresher-training program or send your representative to be trained at any time in the future. All you have to do is pay your travel, lodging, meals and a training fee if charged at that time. For a complete list of your rights and obligations under your Franchise Agreement in regard to training, please consult the Franchise Agreement Sections 7 and 8.

In addition, all of your employees must complete, at your expense, all current and future training programs designated by us.

You must comply with all applicable board of health food safety guidelines and certification requirements, if any, prior to attending training, opening for business, and on an ongoing basis. You are solely responsible for the cost of these certifications and for determining and complying with the applicable requirements.

**Web-Based Training and Training Video Series:**

We will loan you one copy of any training videos that we may develop in the future for the term of the Franchise Agreement. We may also develop an internet-based training program and offer and/or require your participation in that program (together with the videos, the "Training Videos").

You must treat the Training Videos and any other training materials we create or approve for use in your operation of the business, and the information contained in them, as confidential. You must also use all reasonable efforts to maintain this information as secret and confidential and you must not duplicate, copy, record or otherwise reproduce these materials, in whole or in part, or make them available to any unauthorized person. The Training Videos remain our sole property and must be kept, as applicable, in a secure place within the business location.

We may revise the contents of the Training Videos and you must return to us any Training Videos that are replaced by any updates we issue.

**PCI Compliance:**

You will be solely responsible for ensuring that your POS System and Computer System are, and remain, compliant with all current "Payment Card Industry" (PCI) requirements periodically promulgated by VISA®, MasterCard®, American Express®, Discover®, and/or any other credit card brand honored at your franchised business(es). You must ensure that the business adheres to the standards applicable to electronic payments including PCI standards or any equivalent standards. If we or one of the credit card companies requires, you must provide us with evidence of compliance with the applicable standards and provide, or make available, to us copies of an audit, scanning results or related documentation relating to the compliance. You must pay any costs associated with an audit or to gain compliance with these standards. You must immediately (in any event within 24 hours) notify us if you suspect or have been notified by any third party of a possible security breach related to the cashless system (or related cashless data) used in the business.

## Item 12
## TERRITORY

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

Your Location

Your franchise is for a specific location. If the specific location is not known at the time you sign a franchise agreement, then your location is subject to our approval.

Grant of Territory

You will operate your Store within a non-exclusive geographic area called a Delivery Area. We shall have the right to prescribe from time to time the boundaries outside of which your Store may not offer delivery service. The size of your Delivery Area will vary, based on the population and business counts (which we determine using sources that evaluate various demographic factors), and will defined (and revised) periodically as we deem appropriate, for example, by cities, counties, zip codes, streets, highways, natural boundaries, or other markers. Your Delivery Area may overlap with the Delivery Area of another franchisee. You likely will not have a specific, unchanging geographic configuration for your Delivery Area. However, your Delivery Area is defined (and revised) during the franchise term in terms of geographic markers. However, if you default on your Franchise Agreement, we may reduce your Delivery Area in our sole discretion. We will identify your Delivery Area after you sign the Franchise Agreement and find your store location because, until you find your store location, we cannot know for sure which areas will be best for you to service from that 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.

While you are not restricted from accepting unsolicited clients from outside your Delivery Area, you must restrict the targeting of public relations, promotional, sales and marketing activities and the activities of your agents to individuals and businesses located within your Delivery Area and shall not actively market areas outside of your Delivery Area using the Internet, telemarketing or other forms of direct marketing and cannot indicate in any media, print or electronic, that you have a location or provide services in any area outside of your Delivery Area.

Relocation of Store

You may relocate your Graze Craze® under the following conditions:

1. Prior to relocation, you submit your request in writing to us.

2. You must not be in default of the terms of your Franchise Agreement.

3. We will evaluate your request with respect to the suitability of your proposed location and proximity of your proposed location to other establishments (both Graze Craze® Stores and competitors) as well as demographic information.

Options to Acquire Additional Franchises

You have no options, right of first refusal or similar rights to acquire an additional franchise within any particular territory, although you may ask us at any time to purchase additional franchises. You will be granted an additional franchise based on the following:

1. Whether or not you are currently in default or have been in default of any part of your Franchise Agreement.

2. Your financial history and the financial stability of your existing location; and your experience managing your existing location.

Restrictions On Us From Soliciting or Accepting Orders In Your Territory

There are no restrictions on us from soliciting or accepting orders from consumers inside your territory. We reserve the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory using our principal trademarks or using trademarks different from the ones you will use under your franchise agreement. We do not pay any compensation to you for soliciting or accepting orders from inside your territory.

Soliciting By You Outside Your Territory

There are no restrictions on you from soliciting or accepting orders from consumers outside of your territory, except that you shall not offer delivery services to customers outside of your Delivery Area and we reserve the right to control all internet-based marketing. You must restrict the targeting of sales and marketing activities to within your Delivery Area and shall not

actively market areas outside of your Delivery Area using the Internet, telemarketing or other forms of direct marketing.

Competition By Us Under Different Trademarks

Neither we nor any of our affiliates operates, franchises, or has plans to operate or franchise a business under a different trademark selling goods or services similar to those you will offer; however, the franchise agreement does not prohibit us from doing so.

Multi-Unit Development Agreement

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

During the term of the Multi-Unit Development Agreement, you will have the right to develop, own and operate a specified number of Graze Craze® Stores in your Development Area. There is no minimum or maximum size for the Development Area. We can establish and operate Graze Craze® Stores for our own account or grant franchises for Graze Craze® Stores for locations in the Development Area subject to the territorial protection granted to you under the Franchise Agreements for Stores developed, owned, and operated by you or your affiliates.

The Multi-Unit Development Agreement requires that you comply with a development schedule to open and operate a set number of Stores within the Development Area by certain dates. If you fail to meet the development schedule, or are otherwise in default of the Multi-Unit Development Agreement or a Franchise Agreement with us, we may terminate your development rights under the MUDA. A default solely under the Multi-Unit Development Agreement will not cause you to lose any territorial protection granted to you under any Franchise Agreement for any Store.

The locations of the Stores to be established by you in the Development Area under a Multi-Unit Development Agreement must be approved by us, and the standards for sites in effect at the time of execution of the Franchise Agreement for a location will apply.

The Company reserves the right to (without compensation to any franchisee):

1. open and operate Graze Craze® Stores or franchise others to open and operate Graze Craze® Stores, at all universities, colleges, hospitals, municipal facilities, public transportation facilities, shopping malls, stadiums, amusement parks and similar locations of a "non-standard" nature, regardless of location within the Territory;

2. open and operate or franchise others to open and operate non-standard Graze Craze® Stores within the Territory under the System and Marks or different trademarks (e.g., within drug stores, supermarkets, department stores, truck stops, hotel or motel chains, or other channels of distribution such as the Internet or direct marketing);

3. develop and operate and to franchise or license others to develop and operate Graze Craze® Stores at any location outside your Territory subject to the territorial protection granted to you under the Franchise Agreements; and

4. establish franchises or Company-owned businesses other than a business selling charcuterie boards under any trademark or trade name other than the Graze Craze® name but only if these businesses are acquired as part of a merger or acquisition with another local, regional, or national chain or system.

We will not modify your Development Area granted under the Multi-Unit Development Agreement and your rights under the Multi-Unit Development Agreement without your written permission, provided that you are in complete compliance with the terms and conditions of your Multi-Unit Development Agreement and the terms and conditions of each of the franchise agreements you will enter into with the Company for each Graze Craze® Stores opened by you in the Territory.

You may relocate a Store within the Territory under the following conditions:

1. Prior to relocation, you submit your request in writing to us for our approval.

2. You must not be in default of the terms of the Multi-Unit Development Agreement and/or the Franchise Agreement for the Store You wish to relocate.

3. We will evaluate your request with respect to the proximity of your proposed location to other businesses offering similar products and services, (both Graze Craze® Stores and competitors) as well as demographic information.

You have no options, right of first refusal or similar rights to acquire additional development rights within any Territory, although you may ask us at any time to purchase additional rights. You will be granted additional development rights based on the following:

1. Whether or not you are currently in default or have been in default of any part of your Multi-Unit Development Agreement or any of your Franchise Agreements; and

2. Your financial history and the financial stability of your existing locations; and your experience managing your existing locations.

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## Item 13
## TRADEMARKS

Principal Trademark

The following is the principal trademark that we license to you. This trademark is owned by us. It is registered on the Principal Register of the United States Patent and Trademark Office.

| Trademark | Registration Date | Registration Number |
|---|---|---|
| Graze Craze | February 23, 2021 | 6276376 |
| GRAZOLOGIST (standard character mark) | August 23, 2022 | 6826986 |

The following chart lists the Marks for which we have applied for registration from the USPTO:

| Trademark | Filing Date | Serial Number |
|---|---|---|
| graze craze CHARCUTERIE BOARDS & BOXES | May 6, 2022 | 97398171 |
| graze craze CHARCUTERIE BOARDS & BOXES | May 6, 2022 | 97398128 |
| Graze Craze Bistro | August 16, 2022 | 97550600 |
| graze craze CHARCUTERIE BOARDS & BOXES | August 16, 2022 | 97550636 |

Because no federal registration is at least five years old, no Section 8 or 15 affidavits have been filed and the trademark above is not incontestable.

The trademark has not yet been renewed.

Determinations

There are currently no effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court. There are no pending infringement, opposition, or cancellation proceedings.

Litigation

There are no currently effective agreements that significantly limit our rights to use or license the use of trademarks listed above in a manner material to the franchise

Protection of Rights

We are not required to protect you against infringement or unfair competition claims arising out of your use of the Marks, or to participate in your defense and/or indemnify you. The franchise agreement obligates you to notify us of the use of, or claims of rights to, a trademark identical to or confusingly similar to a trademark licensed to you. The franchise agreement does not require us to take affirmative action when notified of these uses or claims. We have the right to control any administrative proceedings or litigation involving a trademark licensed by us to you. Under the franchise agreement, we may require you to modify or discontinue using a trademark, at your expense.

Superior Prior Rights and Infringing Uses

We do not know of either superior prior rights or infringing uses that could materially affect your use of the principal trademarks.

## Item 14
## PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

We do not own rights in, or licenses to, patents that are material to the franchise. We do not have any pending patent applications.

Copyrights

All of our original works of authorship fixed in a tangible medium of expression are automatically protected under the U.S. Copyright Act, whether or not we have obtained registrations. This includes our Manual, training materials as well as all other sales, training, management, and other materials that we have created or will create. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, solely for your franchised business.

We do not have any registered copyrights. There are no pending copyright applications for our copyrighted materials. There are no currently effective determinations of the U.S. Copyright Office (Library of Congress) or any court regarding any copyright.

There are no agreements currently in effect that limit our right to use or license the use of our copyrighted materials.

We have no obligation to protect any of our copyrights or to defend you against claims arising from your use of copyrighted items. The franchise agreement does not require us to take

affirmative action when notified of copyright infringement. We control any copyright litigation. We are not required to participate in the defense of a franchisee or indemnify a franchisee for expenses or damages in a proceeding involving a copyright licensed to the franchisee. We may require you to modify or discontinue using the subject matter covered by any of our copyrights.

We do not know of any copyright infringement that could materially affect you.

Proprietary Information

We have a proprietary, confidential Manual, training materials and related materials that include guidelines, standards and policies for the development and operation of your business. We also claim proprietary rights in other confidential information or trade secrets that include all methods for developing and operating the business, and all non-public recipes, plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information, and know-how.

You must protect the confidentiality of our Manual and other proprietary information and use our confidential information only for your franchised business. We may require your managers and key employees to sign confidentiality agreements.

If you or your employees develop any new concept, process or improvement in the operation or promotion of the business, you must promptly notify us and give us all necessary information, free of charge. You must acknowledge that any of these concepts, processes or improvements will become our property and we may give the information to other franchisees.

## Item 15
## OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You or a general manager, who has completed Graze Craze Franchising's training program for managers, must personally devote full-time and best efforts to the direct operation of your business. You are required to personally sign the franchise agreement. If you form a corporation or other business entity, you will either 1) sign the franchise agreement both personally and on behalf of the business entity as an officer or director of the company; or 2) sign on behalf of the business and entity and also sign an Owners Agreement (along with all other owners) guarantying the obligations of the entity (which is attached to the Franchise Agreement). If you form a partnership, you and your partners will sign the franchise agreement personally.

Your business must, at all times, be under the direct on-location supervision of you, or someone who has completed our training program or has been trained by you or another individual who has successfully completed our training program. That person is not required to have any ownership or equity interest in the franchise entity.

Brand Standards may specify the business' minimum staffing levels necessary to meet those Brand Standards, certified manager training, and uniform dress code. Neither we nor our affiliates have any control or authority over your labor relations, including, among other things,

employee selection, promotion, termination, discipline, hours worked, rates of pay, benefits, work assigned, or working conditions, or any other control over your employment practices. Your employees are solely under your control. You must communicate clearly with your employees in your employment agreements, human resources manuals, written and electronic correspondence, paychecks, and other materials that you (and only you) are the employer and that neither we, as the franchisor of Graze Craze® businesses, nor our affiliates, are their employer.

We do not have the right to approve or disapprove of your choice for manager. Your manager must sign a written agreement which is the same as or similar to the Confidentiality and Nondisclosure Agreement attached as Exhibit M, agreeing to maintain confidentiality of our trade secrets and other proprietary information described in Item 14 and abide by the non-compete covenants described in Item 17, which are valid for two years after the termination of their employment. You must take steps necessary to ensure that Your employees preserve good customer relations; render competent, prompt, courteous and knowledgeable service; and are properly trained. You and Your employees must handle all customer complaints, refunds, returns and other adjustments in a manner that will not detract from Our name and goodwill.

Your managers are not required to have an equity interest in the business or you. You must adopt and implement reasonable steps to prevent improper disclosure of confidential information by your on-site managers, including the use of non-disclosure agreements with those having access to confidential information. We reserve the right to pre-approve the forms of nondisclosure agreements you use solely to ensure you adequately protect confidential information. Under no circumstances will we control the forms or terms of employment agreements you choose to use with your employees or otherwise be responsible for your labor relations or employment practices. You must keep copies of non-disclosure agreements and send them to us upon request solely for us to confirm your compliance with your confidentiality obligations.

You must disclose to us in writing the specific details of any investment in any other restaurant or food-related business or franchise held by you, any of your owners, or any of your owners' spouses. Your General Manager may not have any interest in, or perform any work for, any other restaurant or food-related business or franchise, whether or not it is a competitive business.

## Item 16
## RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale only goods and services that we have approved. You must offer for sale all goods and services that we require. We have the right to change the types of authorized goods or services, and there are no limits on our right to make changes.

We do not restrict your access to customers, except that all sales must be made at or from your location.

**Item 17**
**RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION**
**THE FRANCHISE RELATIONSHIP**

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

| Provision | Section in Franchise or Other Agreement | Summary |
|---|---|---|
| a. Length of the franchise term | Franchise Agreement (FA): § 3.1<br>Multi-Unit Development Agreement (MUDA): Not applicable | 35 years from date of franchise agreement. |
| b. Renewal or extension of the term | FA: § 3.2<br>MUDA: Not applicable | You may obtain a successor franchise agreement for one additional 35-year term. |
| c. Requirements for franchisee to renew or extend | FA: § 3.2<br>MUDA: Not applicable | For our franchise system, "renewal" means that at the end of your term, you sign our successor franchise agreement for an additional 35-year term. You may be asked to sign a contract with materially different terms and conditions than your original contract.<br>To renew, you must give advance notice to us; be in compliance; renovate to then-current standard; sign then-current form of franchise agreement; sign general release (unless prohibited by applicable law). |
| d. Termination by franchisee | FA: Not applicable<br>MUDA: Not applicable | |
| e. Termination by franchisor without cause | Not applicable | |

| Provision | Section in Franchise or Other Agreement | Summary |
|---|---|---|
| f. Termination by franchisor with cause | FA: § 14.1<br>MUDA: § 6 | We may terminate your agreement for cause, subject to any applicable notice and cure opportunity.<br>If you sign a Multi-Unit Development Agreement, termination of your MUDA does not give us the right to terminate your franchise agreement. However, if your franchise agreement can be contractually terminated, we have the right to terminate your MUDA. |
| g. "Cause" defined--curable defaults | FA: § 14.1<br>MUDA: Not applicable | Non-payment of amounts due (15 days to cure); violation of system standards (15 days to cure); other violation of the franchise agreement other than non-curable default (30 days to cure). |
| h. "Cause" defined--non-curable defaults | FA: § 14.1<br>MUDA: § 6 | FA: Misrepresentation when applying to be a franchisee; knowingly submitting false information; bankruptcy; failure to complete training to our satisfaction; failure to open for business by opening deadline; lose possession of your location; violation of law; violation of confidentiality; violation of non-compete; violation of transfer restrictions; abandonment; slander or libel of us; refusal to cooperate with inspection; operation in a manner that constitutes a significant danger not cured within 48 hours; three defaults in 12 months; cross-termination (does not apply to termination of MUDA); charge or conviction of a felony, or accusation of an act that is reasonably likely to materially and unfavorably affect our brand.<br>MUDA: failure to meet development schedule and payment schedules contained therein; violation of franchise agreement or other agreement which gives us the right to terminate it. |

| Provision | Section in Franchise or Other Agreement | Summary |
|---|---|---|
| i. Franchisee's obligations on termination/non-renewal | FA: §§ 14.2 – 14.6<br>MUDA: Not applicable | Pay all amounts due; return Manual and proprietary items; notify phone, internet, and other providers and transfer service; cease doing business; remove identification; purchase option by us. |
| j. Assignment of agreement by franchisor | FA: § 15.1<br>MUDA: § 10 | Unlimited |
| k. "Transfer" by franchisee - defined | FA: § 1<br>MUDA: § 10 | For you (or any owner of your business) to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the business, (ii) the franchise agreement, (iii) any direct or indirect ownership interest of the business, or (iv) control of the business. |
| l. Franchisor's approval of transfer by franchisee | FA: § 15.2<br>MUDA: § 10 | No transfers without our approval. |
| m. Conditions for franchisor's approval of transfer | FA: § 15.2<br>MUDA: 10 | Pay transfer fee; buyer meets our standards; buyer is not a competitor of ours; buyer signs our then-current franchise agreement; you have made all payments to us and are in compliance with the franchise agreement; buyer completes training program; you sign a general release; business complies with then-current system specifications. |
| n. Franchisor's right of first refusal to acquire franchisee's business | FA: § 15.5<br>MUDA: § 10 | If you want to transfer your business, we have a right of first refusal. |
| o. Franchisor's option to purchase franchisee's business | Not applicable | |

| Provision | Section in Franchise or Other Agreement | Summary |
|---|---|---|
| p. Death or disability of franchisee | FA: §§ 2.4, 15.4<br>MUDA: § 10 | If you die or become incapacitated, a new principal operator acceptable to us must be designated to operate the business, and your executor must transfer the business to a third party within nine months. |
| q. Non-competition covenants during the term of the franchise | FA: § 13.2<br>MUDA: Not applicable | You cannot have ownership interest in, or be engaged or employed by, any competitor. |
| r. Non-competition covenants after the franchise is terminated or expires | FA: § 13.2<br>MUDA: Not applicable | For two years, no ownership or employment by a competitor located within ten miles of your former territory or the territory of any other Graze Craze® Store operating on the date of termination. |
| s. Modification of the agreement | FA: § 18.4<br>MUDA: § 10 | No modification or amendment of the agreement will be effective unless it is in writing and signed by both parties. This provision does not limit our right to modify the Manual or system specifications. |
| t. Integration/merger clause | FA: § 18.3<br>MUDA: § 10 | Only the terms of the agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement (or MUDA) may not be enforceable. However, no claim made in any franchise agreement (or MUDA) is intended to disclaim the express representations made in this disclosure document. |
| u. Dispute resolution by arbitration or mediation | FA: § 17.1<br>MUDA: § 11 | Either party may initiate non-binding mediation before legal proceedings are filed. |

| Provision | Section in Franchise or Other Agreement | Summary |
|---|---|---|
| v. Choice of forum | FA: §§ 17.1, 17.2, 18.8<br>MUDA: § 11 | Mediation shall take place in your home state. Any legal proceedings must be brought exclusively in the 15th Judicial Circuit Court in and for Palm Beach County, Florida (subject to state law). |
| w. Choice of law | FA: § 18.8<br>MUDA: § 11 | Florida law applies (subject to applicable state law). |

**For additional disclosures required by certain states, refer to Exhibit J - State Addenda to Disclosure Document**

## Item 18
## PUBLIC FIGURES

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

## Item 19
## FINANCIAL PERFORMANCE REPRESENTATIONS

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

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### Highest Month and Lowest Month

In the below tables, we disclose the highest and lowest individual month of Gross Revenues (as defined in the Franchise Agreement) from forty-three (43) franchise units in the United States that were in operation for at least one (1) month during the fiscal year of 2023 (ending on June 30, 2023). We also disclose the month in business in which the highest and lowest month of the reported units occurred.

| Table 1 - Highest Month in Business | |
|---|---|
| **Highest Month** | **Month in Business** |
| $46,682 | 12th Month |

| Table 2 - Lowest Month in Business | |
|---|---|
| **Lowest Month** | **Month in Business** |
| $2,141 | 2nd Month |

Highest and Lowest Month refer to a full, 28/30/31-day month in operation and does not include partial months (where the unit operated for less than the entirety of the number of days in that particular calendar month). "Month in Business" refers to the number of the month (calculated from the month in which the first day of operations occurred) in which the highest/lowest month of Gross Revenues occurred.

### Average Rent, Square Footage, and Price per Square Foot

In the below, we disclose the average rent, square footage, and average price per square foot for 12 months of rent from the forty-three (43) franchise units in the United States that were in operation for at least one (1) month during the fiscal year of 2023 (ending on June 30, 2023).

| Table 3 - Avg Rent, Sq ft., Price per Sq ft. | | |
|---|---|---|
| **Average Rent** | **Average Square Feet** | **Average Annual Price per Square Foot** |
| $1,985 | 1,213 | $19.64 |

Average Rent refers to the average cost in rent from the reported units based on the agreed rent listed in the unit owners's lease agreement. Average Square Feet refers to the average square feet of all reported units based on each unit owner's lease agreement. Average Annual Price per Square Foot refers to the price per square foot for a total of 12 months.

**Some outlets have earned these amounts. Your individual results may differ. There is no assurance that you will earn as much.**

Written substantiation of the information contained in this Item 19 will be made available to prospective franchisees upon reasonable request.

Except as set forth in this Item 19, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Mark D. Nichols, General Counsel, 2121 Vista Parkway, West Palm Beach, Florida 33411, and (561) 640-5570, the Federal Trade Commission, and the appropriate state regulatory agencies.

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## Item 20
## OUTLETS AND FRANCHISEE INFORMATION

### Table 1
### Systemwide Outlet Summary
### For years 2021 to 2023*

| Outlet Type | Year | Outlets at the Start of the Year | Outlets at the End of the Year | Net Change |
|---|---|---|---|---|
| Franchised | 2021 | 0 | 0 | 0 |
| | 2022 | 0 | 8 | +8 |
| | 2023 | 8 | 39 | +31 |
| Company-Owned** | 2021 | 2 | 5 | +3 |
| | 2022 | 5 | 5 | 0 |
| | 2023 | 5 | 0 | -5 |
| Total Outlets** | 2021 | 2 | 5 | +3 |
| | 2022 | 5 | 13 | +8 |
| | 2023 | 13 | 39 | +26 |

* Our fiscal year end is June 30. Accordingly, in this Item 20:

"2021" refers to the period July 1, 2020 – June 30, 2021
"2022" refers to the period July 1, 2021 – June 30, 2022
"2023" refers to the period July 1, 2022 – June 30, 2023

** This includes Graze Craze® businesses operated by our affiliate, Graze Craze, Inc.

[REST OF PAGE INTENTIONALLY LEFT BLANK]

**Table 2**
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**
**For years 2021 to 2023***

| State | Year | Number of Transfers |
|---|---|---|
| Tennessee | 2021 | 0 |
| | 2022 | 0 |
| | 2023 | 1 |
| Texas | 2021 | 0 |
| | 2022 | 0 |
| | 2023 | 1 |
| Total | 2021 | 0 |
| | 2022 | 0 |
| | 2023 | 2 |

* Our fiscal year end is June 30. Accordingly, in this Item 20:

"2021" refers to the period July 1, 2020 – June 30, 2021
"2022" refers to the period July 1, 2021 – June 30, 2022
"2023" refers to the period July 1, 2022 – June 30, 2023

**Table 3**
**Status of Franchised Outlets**
**For years 2021 to 2023***

| State | Year | Outlets at the Start of the Year | Outlets Opened | Termi-nations | Non-Renewals | Reacquired by Franchisor | Ceased Operations – Other Reasons | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|---|
| Arkansas | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| California | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Colorado | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 3 | 0 | 0 | 0 | 0 | 3 |

| State | Year | Outlets at the Start of the Year | Outlets Opened | Termi-nations | Non-Renewals | Reacquired by Franchisor | Ceased Operations – Other Reasons | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|---|
| Delaware | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Florida | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 3 | 0 | 0 | 0 | 0 | 3 |
| Georgia | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 4 | 0 | 0 | 0 | 0 | 4 |
| Idaho | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Illinois | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Kansas | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 1 | 0 | 0 | 1 | 0 | 0 |
| Michigan | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 3 | 0 | 0 | 0 | 0 | 3 |
| Missouri | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Massachusetts | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 1 | 0 |
| Nevada | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |

| State | Year | Outlets at the Start of the Year | Outlets Opened | Termi-nations | Non-Renewals | Reacquired by Franchisor | Ceased Operations – Other Reasons | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|---|
| New Mexico | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| North Carolina | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Oklahoma | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 3 | 0 | 0 | 1 | 0 | 2 |
| | 2023 | 2 | 0 | 1 | 0 | 0 | 0 | 1 |
| Oregon | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Pennsylvania | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Tennessee | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| Texas | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 5 | 0 | 0 | 1** | 0 | 6 |
| Utah | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 3 | 0 | 0 | 0 | 0 | 3 |
| | 2023 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| Washington | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 3 | 0 | 0 | 0 | 0 | 3 |
| Totals | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 9 | 0 | 0 | 1 | 0 | 8 |
| | 2023 | 8 | 34 | 1 | 0 | 2 | 1 | 39 |

* Our fiscal year end is June 30. Accordingly, in this Item 20:

"2021" refers to the period July 1, 2020 – June 30, 2021
"2022" refers to the period July 1, 2021 – June 30, 2022
"2023" refers to the period July 1, 2022 – June 30, 2023

** Outlet was reacquired by franchisor, then sold to another franchisee during the 2023 period.

**Table 4**
**Status of Company-Owned Outlets**
**For years 2021 to 2023***

| State | Year | Outlets at the Start of the Year | Outlets Opened | Outlets Reacquired From Franchisee | Outlets Closed | Outlets Sold to Franchisee | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|
| Florida | 2021 | 0 | 1 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 0 | 0 | 1 | 0 | 0 |
| | 2023 | 0 | 0 | 0 | 0 | 0 | 0 |
| Kansas | 2021 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 0 | 1 | 1 | 0 | 0 |
| Texas | 2021 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 0 | 1 | 0 | 1 | 0 |
| Oklahoma | 2021 | 2 | 2 | 0 | 0 | 0 | 4 |
| | 2022 | 4 | 0 | 1 | 0 | 0 | 5 |
| | 2023 | 5 | 0 | 0 | 5 | 0 | 0 |
| Totals** | 2021 | 2 | 3 | 0 | 0 | 0 | 5 |
| | 2022 | 5 | 0 | 1 | 1 | 0 | 5 |
| | 2023 | 5 | 0 | 2 | 6 | 1 | 0 |

* Our fiscal year end is June 30. Accordingly, in this Item 20:

"2021" refers to the period July 1, 2020 – June 30, 2021
"2022" refers to the period July 1, 2021 – June 30, 2022
"2023" refers to the period July 1, 2022 – June 30, 2023

** This includes Graze Craze® businesses operated by our former affiliate, Graze Craze, Inc.

**Table 5**
**Projected Openings as of June 30, 2023**

| State | Franchise Agreements Signed But Outlet Not Opened** | Projected New Franchised Outlets In The Next Fiscal Year* | Projected New Company-Owned Outlets In the Next Fiscal Year |
|---|---|---|---|
| Alabama | 4 | 0-1 | 0 |
| Alaska | 3 | 0-1 | 0 |
| Arizona | 10 | 0-1 | 0 |
| Arkansas | 2 | 0-1 | 0 |
| California | 29 | 0-1 | 0 |
| Colorado | 3 | 0-1 | 0 |
| Connecticut | 0 | 0-1 | 0 |
| Delaware | 0 | 0-1 | 0 |
| Florida | 11 | 1-2 | 0 |
| Georgia | 14 | 1-2 | 0 |
| Hawaii | 0 | 0-1 | 0 |
| Idaho | 3 | 0-1 | 0 |
| Illinois | 0 | 0-1 | 0 |
| Indiana | 1 | 0-1 | 0 |
| Iowa | 0 | 0-1 | 0 |
| Kansas | 0 | 0-1 | 0 |
| Kentucky | 0 | 0-1 | 0 |
| Louisiana | 0 | 0-1 | 0 |
| Maine | 0 | 0-1 | 0 |
| Maryland | 0 | 0-1 | 0 |
| Massachusetts | 0 | 0-1 | 0 |
| Michigan | 3 | 0-1 | 0 |
| Minnesota | 0 | 0-1 | 0 |
| Mississippi | 0 | 0-1 | 0 |
| Missouri | 0 | 0-1 | 0 |
| Montana | 1 | 0-1 | 0 |

| State | Franchise Agreements Signed But Outlet Not Opened** | Projected New Franchised Outlets In The Next Fiscal Year* | Projected New Company-Owned Outlets In the Next Fiscal Year |
|---|---|---|---|
| Nebraska | 2 | 0-1 | 0 |
| Nevada | 13 | 1-2 | 0 |
| New Hampshire | 0 | 0-1 | 0 |
| New Jersey | 4 | 0-1 | 0 |
| New Mexico | 0 | 0-1 | 0 |
| New York | 3 | 0-1 | 0 |
| North Carolina | 9 | 0-1 | 0 |
| North Dakota | 0 | 0-1 | 0 |
| Ohio | 3 | 0-1 | 0 |
| Oklahoma | 0 | 0-1 | 0 |
| Oregon | 3 | 0-1 | 0 |
| Pennsylvania | 7 | 0-1 | 0 |
| Rhode Island | 0 | 0-1 | 0 |
| South Carolina | 5 | 0-1 | 0 |
| South Dakota | 0 | 0-1 | 0 |
| Tennessee | 2 | 0-1 | 0 |
| Texas | 6 | 1-2 | 0 |
| Utah | 9 | 0-1 | 0 |
| Vermont | 0 | 0-1 | 0 |
| Virginia | 3 | 0-1 | 0 |
| Washington | 8 | 0-1 | 0 |
| West Virginia | 0 | 0-1 | 0 |
| Wisconsin | 1 | 0-1 | 0 |
| Wyoming | 1 | 0-1 | 0 |
| Totals | 163 | 4-54 | 0 |

* Projected openings for the period July 1, 2023 to June 30, 2024.

**As certain jurisdictions include multi-unit development agreements within their statutory definition of "franchise agreement," this column includes multi-unit development

agreements requiring individual unit franchise agreements to be signed in the future, but not yet signed nor opened.

Current Franchisees

A list of all current franchisees is attached as Exhibit H to this disclosure document.

Former Franchisees

A list of all former franchisees is attached as Exhibit H to this disclosure document.

Please note, that if you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Sale of Previously Owned Outlet

We are selling one previously-owned franchised outlet now under our control. The disclosures related to this outlet are included in Exhibit I.

Confidentiality Clauses

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Graze Craze franchise system. You may wish to speak to current or former franchisees, but be aware that not all such franchisees will be able to communicate with you. Four franchisees have signed any contract, order, or settlement provision that directly or indirectly restricts a current or former franchisee from discussing his or her personal experience as a franchisee in our system with any prospective franchisee.

Franchisee Organizations

There are no trademark-specific franchisee organizations associated with our franchise system.

## Item 21
## FINANCIAL STATEMENTS

**We have not been in business for three years or more, and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission.** Exhibit F contains our audited financial statements dated June 30, 2021, June 30, 2022 and June 30, 2023. Our fiscal year end is June 30.

The performance of GCZ's obligations under the Franchise Agreement has been guaranteed by our affiliate, Sign*A*Rama, Inc., pursuant to a Guaranty of Performance. The audited financial statements for Sign*A*Rama, Inc. prepared in accordance with generally accepted accounting principles for the periods ended December 31, 2020, December 31, 2021 and December 31, 2022 are attached as Exhibit F-1 along with a copy of the Guaranty of Performance. In addition, the unaudited interim financial statements of Sign*A*Rama, Inc. are also included in Exhibit F-1.

## Item 22
## CONTRACTS

Copies of all proposed agreements regarding this franchise offering are attached as the following Exhibits:

B. Multi-Unit Development Agreement
C. Franchise Agreement
D. Form of General Release
E. Deposit Receipt Letter
J. State Addenda to Franchise Agreement
K. State Addenda to Multi-Unit Development Agreement
L. Confidentiality and Nondisclosure Agreement

## Item 23
## RECEIPTS

Detachable documents acknowledging your receipt of this disclosure document are attached as the last two pages of this disclosure document as Exhibit N.

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# EXHIBIT A

# STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

## STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

We may register this disclosure document in some or all of the following states in accordance with the applicable state law. If and when we pursue franchise registration, or otherwise comply with the franchise investment laws, in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in each state and the state offices or officials that we will designate as our agents for service of process in those states:

| State | State Administrator | Agent For Service of Process (If Different From State Administrator) |
|---|---|---|
| California | Commissioner of Financial Protection and Innovation<br>Department of Financial Protection and Innovation<br>2101 Arena Blvd.,<br>Sacramento, CA 95834<br>866-275-2677<br>www.dfpi.ca.gov<br>Ask.DFPI@dfpi.ca.gov | |
| Hawaii | Department of Commerce and Consumer Affairs<br>Business Registration Division<br>Commissioner of Securities<br>P.O. Box 40<br>Honolulu, HI 96810<br>(808) 586-2722 | Commissioner of Securities<br>Department of Commerce and Consumer Affairs<br>Business Registration Division<br>Securities Compliance Branch<br>335 Merchant Street, Room 203<br>Honolulu, HI 96813 |
| Illinois | Franchise Bureau<br>Office of Attorney General<br>500 South Second Street<br>Springfield, IL 62706<br>(217) 782-4465 | |
| Indiana | Franchise Section<br>Indiana Securities Division<br>Secretary of State<br>Room E-111<br>302 W. Washington Street<br>Indianapolis, IN 46204<br>(317) 232-6681 | |

| State | State Administrator | Agent For Service of Process (If Different From State Administrator) |
|---|---|---|
| Maryland | Office of the Attorney General<br>Division of Securities<br>200 St. Paul Place<br>Baltimore, MD 21202-2020<br>(410) 576-6360 | Maryland Commissioner of Securities<br>200 St. Paul Place<br>Baltimore, MD 21202-2020 |
| Michigan | Michigan Attorney General's Office<br>Consumer Protection Division<br>Attn: Franchise Section<br>525 W. Ottawa Street<br>Williams Building, 1st Floor<br>Lansing, MI 48933<br>(517) 373-7117 | |
| Minnesota | Minnesota Department of Commerce<br>Market Assurance Division<br>85 7th Place East, Suite 280<br>St. Paul, MN 55101-2198<br>(651) 539-1500 | Commissioner of Commerce<br>Minnesota Department of Commerce<br>85 7th Place East, Suite 280<br>St. Paul, MN 55101-2198<br>(651) 539-1500 |
| New York | New York State Department of Law<br>Investor Protection Bureau<br>28 Liberty St. 21st Floor<br>New York, NY 10005<br>(212) 416-8236 | New York Department of State<br>One Commerce Plaza<br>99 Washington Avenue, 6th Floor<br>Albany, NY 12231-0001 |
| North Dakota | North Dakota Securities Department<br>600 East Boulevard Ave., State Capital Fifth Floor, Dept. 414<br>Bismarck, ND 58505-0510<br>(701) 328-4712 | |
| Oregon | Department of Consumer & Business Services<br>Division of Finance and Corporate Securities<br>Labor and Industries Building<br>Salem, Oregon 97310<br>(503) 378-4140 | |

| State | State Administrator | Agent For Service of Process (If Different From State Administrator) |
|---|---|---|
| Rhode Island | Department of Business Regulation<br>Securities Division<br>1511 Pontiac Avenue<br>John O. Pastore Complex–69-1<br>Cranston, RI 02920-4407<br>(401) 462-9527 | |
| South Dakota | Department of Labor and Regulation<br>Division of Securities<br>124 South Euclid Suite 104<br>Pierre, SD 57501-3185<br>(605) 773-4823 | |
| Virginia | State Corporation Commission<br>1300 East Main Street<br>9th Floor<br>Richmond, VA 23219<br>(804) 371-9051 | Clerk of the State Corporation Commission<br>1300 East Main Street, 1st Floor<br>Richmond, VA 23219 |
| Washington | Department of Financial Institutions<br>Securities Division<br>150 Israel Rd SW<br>Tumwater, WA 98501<br>(360) 902-8760 | |
| Wisconsin | Division of Securities<br>Department of Financial Institutions<br>Post Office Box 1768<br>Madison, WI 53701<br>(608) 266-2801 | Securities and Franchise Registration<br>Wisconsin Securities Commission<br>201 West Washington Avenue, Suite 300<br>Madison, WI 53703 |

# EXHIBIT B

# MULTI-UNIT DEVELOPMENT AGREEMENT

# GRAZE CRAZE®
# MULTI-UNIT DEVELOPMENT AGREEMENT

DATED_____ 20___

| SUMMARY PAGE | |
|---|---|
| **1. Developer** | _____ |
| **2. Development Area** | _____ |
| **3. Developer's Address** | _____ |

**GRAZE CRAZE®**
**MULTI-UNIT DEVELOPMENT AGREEMENT**

THIS MULTI-UNIT DEVELOPMENT AGREEMENT ("Agreement") is made and entered into this ____ day of _____, 20_____, by and between **Graze Craze Franchising, LLC,** a Florida limited liability company, with its principal place of business at 2121 Vista Parkway, West Palm Beach, Florida 33411 ("Franchisor") and _____, whose address is _____ ("Developer").

**RECITALS**

A. Developer wishes to develop Graze Craze® Stores pursuant to the terms and conditions of this Multi-Unit Development Agreement (the "**Development Agreement**");

B. For each Graze Craze® Store, Developer will open and operate Franchisor and Developer will enter into a Franchise Agreement (the "**Franchise Agreement**");

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein contained and for other good and valuable consideration, the sufficiency of which is acknowledged by both parties, Franchisor and Developer agree as follows:

1**. Multi-Unit Development Commitment.** Developer shall develop and open the cumulative number of Graze Craze® Stores according to the schedule attached hereto as Exhibit A (the "**Development Schedule**"):

2. **Fee and Payment.** Developer agrees to pay to Franchisor a nonrefundable development fee equal to the initial franchise fee for the first Store, $49,500, plus a deposit of $20,000 for each additional Store that Developer agrees to open and operate (the "**Development Fee**"), as shown on the Development Schedule. If this Agreement is terminated pursuant to Section 6 of this Agreement, all initial franchise fees shall be forfeited to Franchisor in consideration of the rights granted in the Development Area up to the time of termination.

3 **Form of Agreement.** For each Graze Craze® Store Developer will open and operate, Developer shall execute Franchisor's then-current standard form of franchise agreement as stated in the Development Schedule. Developer is required in each instance to obtain Franchisor's prior approval of each proposed store location to be developed prior to leasing or acquiring a location. This Agreement does not give Developer the right to construct, open, or operate a Graze Craze® Store. Developer acknowledges that each such Graze Craze® Store may only be constructed, opened, and operated pursuant to the terms and conditions of a separate Franchise Agreement executed in accordance with this Development Agreement.

4**. Development Area.** Developer shall locate each Graze Craze® Store it develops under this Agreement within the areas as outlined on the attached map attached hereto as Exhibit B (the "**Development Area**"). Developer acknowledges that it does not have exclusive rights to develop, open or operate Graze Craze Stores in the Development Area, except that if Developer agrees to open and operate more than three (3) Graze Craze® Stores in its Development Schedule, and so long as Developer is not in default as more fully described in Section 6, then Developer shall have exclusive rights to develop, own and operate its Graze Craze® Stores in the Development Area. If Developer is in default of the Development Schedule, then upon written notice to Developer (with no opportunity to cure required), Developer shall lose its exclusive rights to the Development Area. In the event Developer wishes to extend the deadline for one Store in the Development Schedule, Developer may pay a one-time Development Schedule Extension Fee of $5,000 to extend the deadline to open a particular Store by

twelve (12) months. For the avoidance of doubt, payment of this Development Schedule Extension Fee shall **not** extend the deadline for opening as to any other Store in the Development Schedule.

5. **Term of Development Agreement.** Unless earlier terminated pursuant to Section 6 of this Agreement, this Agreement shall expire upon the earlier of (i) the date specified in the Development Schedule or (ii) upon the opening of the last store listed in the Development Schedule.

6. **Default and Termination.** Franchisor may terminate this Agreement upon notice to Developer without providing Developer an opportunity to cure if any of the following occur:

(i) Developer fails to meet the timelines in the Development Schedule, including payment schedules, or is otherwise in breach of this Development Agreement; or

(ii) Franchisor has the right to terminate any Franchise Agreement between Franchisor and Developer (or any affiliate thereof) due to Developer's default thereunder (whether or not Franchisor actually terminates such Franchise Agreement).

7. **Limitation of Liability.** Developer's commitment to develop Graze Craze® Stores is in the nature of an option only. If Franchisor terminates this Agreement for Developer's default, Developer shall not be liable to Franchisor for lost future revenues or profits from any unopened Graze Craze® stores.

8. **Conditions.** Developer's right to develop each Graze Craze® Store franchise after the first store is subject to the following:

(i) Developer must possess sufficient financial and organizational capacity to develop, open, operate, and manage each additional Graze Craze® Stores, in the reasonable judgment of Franchisor, and

(ii) Developer must be in full compliance with all brand requirements at its open Graze Craze® stores, and not in default under any Franchise Agreement or any other agreement with Franchisor.

9. **Applicable Law and Jurisdiction.** Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.), this Agreement and any other agreement relating to this Agreement and all transactions contemplated by this Agreement and any other agreement relating to this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Florida without regard to principles of conflicts of laws. The parties acknowledge that a substantial portion of the negotiations, anticipated performance and execution of this Agreement occurred or shall occur in Palm Beach County, Florida, and that, therefore, each of the parties irrevocably and unconditionally:

(i) agrees that any suit, action or legal proceeding arising out of or relating to the offer, negotiation, performance, validity or interpretation of this Agreement, shall be brought only in the courts of record in Palm Beach County, Florida;

(ii) consents to the jurisdiction of each such court in any suit, action or proceeding;

(iii) waives any objection which he, she or it may have to the laying of venue of any such suit, action or proceeding in any of such courts; and

(iv) agrees that service of any court paper may be effected on such party by U.S. mail or by any manner as may be provided under applicable laws or court rules.

Notwithstanding the foregoing, if Franchisor deems it necessary to commence an action in Developer's jurisdiction to more fully or expeditiously determine, interpret or protect its rights, it may do so.

10. **Transfer; Miscellaneous.** Franchisee shall not Transfer this MUDA without the prior written consent of Graze Craze Franchising, LLC, and any Transfer without Graze Craze Franchising's prior written consent shall be void. The provisions of Section 15.1 (Transfer By Graze Craze Franchising), and Article 18 (Miscellaneous) of the Franchise Agreement apply to and are incorporated into this MUDA as if fully set forth herein.

11. **Dispute Resolution; Equitable Relief.** Any controversy or claim arising out of or relating to this Agreement or the relationship between the parties, including any claim that this Agreement, or any part thereof, is invalid, illegal, or otherwise void, shall be determined exclusively in the state courts in Palm Beach County, Florida. Each party waives any objection to the jurisdiction of the courts in Palm Beach County, Florida over them, agrees that, except as to Federal Lanham Act claims, Florida law will apply to this Agreement and waives any right to objection to the jurisdiction or venue of the state courts in Palm Beach County, Florida. However, prior to any suit, action or legal proceeding taking place, either party may, at its option, submit the controversy or claim to non-binding mediation before the American Arbitration Association in accordance with its Commercial Mediation Procedures, if a mutually agreeable mediator is unable to conduct the mediation, in which event both parties shall execute a confidentiality agreement reasonably satisfactory to Franchisor. Upon submission, the obligation to attend mediation shall be binding on both parties. Each party will bear its own costs with respect to the mediation, except the fee for the mediator will be split equally. In the event of litigation, the reasonable attorney fees and costs of the prevailing party shall be paid by the non-prevailing party. The provisions of this Section 10 shall be construed as independent of any other covenant or provision of this Agreement; provided that if a court of competent jurisdiction determines that any such provisions are unlawful in any way, such court shall modify or interpret such provisions to the minimum extent necessary to have them comply with the law. Franchisor and Developer (and their respective owners) waive to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against the other and agree that in the event of a dispute between them each shall be limited to the recovery of any actual damages sustained by it. This Section shall be deemed to be self-executing and shall remain in full force and effect after the expiration or sooner termination of this Agreement. Mediation shall take place in Developer's home state. Developer acknowledges and agrees that it is the intent of the parties that mediation or litigation between Franchisor and Developer shall be of Franchisor's and Developer's individual claims, and that none of Developer's claims shall be mediated or litigated on a class-wide basis or on a joined or consolidated claim basis.

12. **Acknowledgments. Developer acknowledges that it has received a complete copy of this Agreement, the Franchise Agreement, the attachments thereto, if any, at least seven calendar days prior to the date on which this Agreement was executed**. Developer further acknowledges that it has read and understands this Agreement, the Franchise Agreement, the attachments thereto and the agreements relating thereto contained in the Franchise Disclosure Document received by Developer and that Franchisor has accorded Developer ample opportunity and has encouraged Developer to consult with advisors of Developer's own choosing about the potential benefits and risks of entering into this Agreement.

**IN WITNESS WHEREOF**, the parties hereto have duly executed, sealed, and delivered this Agreement in duplicate original as of the date and year first written above.

***Signature Page Follows***

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**DEVELOPER:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## EXHIBIT A TO MULTI-UNIT DEVELOPMENT AGREEMENT

## DEVELOPMENT SCHEDULE

Developer's rights under the Development Agreement are conditioned upon its active development of the Development Area. Developer will directly develop and operate within the Development Area, and ensure the continued operation of, not less than the following number of Graze Craze® Stores within the timeframes stated below:

| Store No. | Deadline Date for Opening of Store | Franchise Fee | Development Fee | Deadline for Collection of Balance of Franchise Fee | Deadline for Execution of Franchise Agreement |
|---|---|---|---|---|---|
| 1 | | | | | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| Totals | | | | | |

**ACKNOWLEDGED AND AGREED TO:**

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**DEVELOPER:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

**EXHIBIT B TO MULTI-UNIT DEVELOPMENT AGREEMENT**

**DEVELOPMENT MAP**

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**DEVELOPER:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

# EXHIBIT C

# FRANCHISE AGREEMENT

# GRAZE CRAZE®
# FRANCHISE AGREEMENT

DATED_____ 20___

| SUMMARY PAGE | | |
|---|---|---|
| 1. | **Franchisee** | _____ |
| 2. | **Initial Franchise Fee** | _____ |
| 3. | **DPM Fee** | _____ |
| 4. | **Business Location** | _____ |
| 5. | **Territory** | _____ |
| 6. | **Delivery Area** | _____ |
| 7. | **Franchisee's Address** | _____ |

# GRAZE CRAZE®
# FRANCHISE AGREEMENT

This Agreement is made between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising"), and Franchisee effective as of the date signed by Graze Craze Franchising (the "Effective Date").

## Background Statement:

A. Graze Craze Franchising and its affiliates own a system (the "System") for developing and operating stores specializing in fresh, new, and healthy charcuterie cuisine under the trade name "Graze Craze®".

B. The System includes (1) methods, procedures; and standards for developing and operating a Graze Craze® business; (2) plans, specifications, equipment, signage, and trade dress for Graze Craze® businesses; (3) particular products and services; (4) the Marks; (5) training programs; (6) business knowledge; (7) marketing plans and concepts; and (8) other mandatory or optional elements as determined by Graze Craze Franchising from time to time.

C. The parties desire that Graze Craze Franchising license the Marks and the System to Franchisee for Franchisee to develop and operate a Graze Craze® business on the terms and conditions of this Agreement.

## ARTICLE 1. DEFINITIONS

"**Action**" means any action, suit, proceeding, claim, demand, governmental investigation, governmental inquiry, judgment, or appeal thereof, whether formal or informal.

"**Approved Vendor**" means a supplier, vendor, or distributor of Inputs which has been approved by Graze Craze Franchising.

"**Business**" means the business owned by Franchisee and operated under this Agreement.

"**Competitor**" means any business for which the Grazing or Charcuterie style cuisine is a material portion of the product offering or menu.

"**Confidential Information**" means all non-public information of or about the System, Graze Craze Franchising, and any Graze Craze® business, including all methods for developing and operating the Business, and all non-public recipes, plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information, and know-how.

"**Gross Revenues**" means the entire amount of all of Franchisee's revenues arising out of the ownership or operation of the Business. This amount is to include, without limitation, revenues derived from or relating to all sales of food and beverages rendered at, or for orders placed at or completed for delivery in, through, or from the Business. The revenues are determined regardless of whether they are evidenced by cash, credit, checks, services, property, or other means of exchange, excepting only the amount of any sales taxes that are collected and paid to the taxing

authority. Cash refunded or credit given to customers shall be deducted in computing Gross Revenues to the extent that such cash or credit represent amounts previously included in Gross Revenues on which Royalty and Marketing Fees were paid. Sales of prepaid cards or similar products are not included in Gross Revenues, but the redemption of any such card or product will be included in Gross Revenues.

"**Input**" means any goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Business.

"**Limited Access Venue**" means a venue that primarily serves the customers located within a facility, such as enclosed shopping centers, universities, churches and other religious institutions, sports stadiums, amusement parks, airports, transportation centers, hospitals, military complexes, and restricted business complexes.

"**Location**" means the location address stated on the Summary Page as "Business Location." If no location is stated on the Summary Page, then the Location will be determined in accordance with Section 6.1.

"**Losses**" includes (but is not limited to) all losses; damages; fines; charges; expenses; lost profits; reasonable attorneys' fees; travel expenses, expert witness fees; court costs; settlement amounts; judgments; loss of Graze Craze Franchising's reputation and goodwill; costs of or resulting from delays; financing; costs of advertising material and media time/space and the costs of changing, substituting or replacing the same; and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described.

"**Manual**" means Graze Craze Franchising's confidential Operating Manual(s), including any supplements, additions, or revisions from time to time, which may be in any form or media.

"**Marketing/Brand Fund**" means the fund established by Graze Craze Franchising into which Marketing Fund Contributions are deposited.

"**Marks**" means the service mark and logo contained on the Summary Page, and/or all other trade names, trademarks, service marks and logos which may be specified by Graze Craze Franchising from time to time for use in the Business.

"**Remodel**" means a refurbishment, renovation, and remodeling of the Location to conform to the building design, exterior facade, trade dress, signage, fixtures, furnishings, equipment, decor, color schemes, presentation of the Marks, and other System Standards in a manner consistent with the image then in effect for a new Graze Craze® business.

"**Required Vendor**" means a supplier, vendor, or distributor of Inputs that Graze Craze Franchising requires franchisees to use.

"**System Standards**" means, as of any given time, the then-current mandatory procedures, requirements, and/or standards of the System as determined by Graze Craze Franchising, which may include without limitation, any procedures, requirements and/or standards for appearance, business metrics, catering and/or delivery, cleanliness, customer service, design (such as

construction, decoration, layout, furniture, fixtures and signs), equipment, inventory, marketing and public relations, menu and other product and service offerings, operating hours, presentation of Marks, quality of products and services, recipes, reporting, safety, technology (such as computers, computer peripheral equipment, smartphones, point-of-sale systems, back-office systems, information management systems, security systems, video monitors, other software, backup and archiving systems, communications systems (including email, audio, and video systems), payment acceptance systems, and internet access, as well as upgrades, supplements, and modifications thereto), and uniforms.

"**Territory**" means the territory stated on the Summary Page. If no territory is stated on the Summary Page, then the Territory is determined in accordance with Section 6.1.

"**Transfer**" means for Franchisee to voluntarily or involuntarily transfer, sell, or dispose of, in any single or series of transactions, (i) substantially all of the assets of the Business, (ii) this Agreement, (iii) any direct or indirect ownership interest in the Business, or (iv) control of the Business.

## ARTICLE 2. GRANT OF LICENSE

**2.1 Grant.** Graze Craze Franchising grants to Franchisee the right to operate the Business solely at the Location. If no Location is stated on the Summary Page when this Agreement is signed, then the parties will determine the Location in accordance with Section 6.1. Franchisee shall develop, open, and operate the Business at the Location for the entire term of this Agreement.

**2.2 Protected Territory.** Graze Craze Franchising shall not open, nor license the right to any third party to open, another Graze Craze® business outlet within the Territory, other than in a Limited Access Venue. Graze Craze Franchising retains the right to:

(a) establish and license others to establish and operate Graze Craze® businesses outside the Territory;

(b) establish and license others to establish and operate Graze Craze® businesses in Limited Access Venues inside the Territory;

(c) operate and license others to operate businesses anywhere that do not operate under the Graze Craze® brand name; and

(d) sell and license others to sell products and services in the Territory through channels of distribution (including the internet) other than Graze Craze® outlets.

**2.3 Delivery Area.** During the Term (as defined in Article 3), Franchisee will be granted the non-exclusive right to accept and fulfill orders for delivery to customers and/or recipients located within the Territory and in additional geographic area(s), if any, as identified on the map attached to this Agreement and revised periodically during the Term by Graze Craze Franchising in its sole discretion (the "Delivery Area"). Graze Craze Franchising may, but shall not be obligated to, modify, increase, or decrease the Delivery Area at any time, in its sole and absolute discretion. Franchisee may not accept or fulfill orders for delivery to customers and/or recipients located

outside the Delivery Area without Graze Craze Franchising's prior written consent which Graze Craze Franchising may grant, deny, and (if granted) revoke as it deems best. Franchisee agrees that the Store will at all times during approved hours of operation offer delivery service to all customers located within Franchisee's delivery and service area, provided, however, Franchisee are not required to offer delivery service in areas which might present a danger to Franchisee or Franchisee's employees. Franchisee further agrees and acknowledges that the designated delivery areas of other owners of Graze Craze Franchising franchises may overlap with the Franchisee's Delivery Area, which shall not be a violation of the terms of this Agreement. If Franchisee is making self-deliveries with their own vehicle, Franchisee and Franchisee's employees must strictly comply with all laws, regulations and rules of the road and due care and caution in the operation of delivery vehicles.

**2.4 Full-Time and Best Efforts.** Franchisee or a general manager, who has completed Graze Craze Franchising's training program for managers, shall serve as the day-to-day general manager of the Business and must devote his or her full-time and best efforts to the management of the Business.

**2.5 Entity Franchisee.** Franchisee may, at the Franchisee's option, operate the Business through a limited liability company, corporation or other business entity, provided that: (i) the full legal name of the business entity shall be added to the Franchise Agreement as an additional Franchisee; (ii) the business entity is newly organized and its activities are confined exclusively to operating the Business; (iii) Franchisee is the owner of all the stock or membership units of the business entity and is the principal executive officer thereof; (iv) Franchisee furnishes Graze Craze Franchising with the name, address, telephone number and percentage of ownership of each officer, director, shareholder and member of the business entity; (v) You and all other beneficial owners in the business entity must either 1) be added as additional Franchisees to the Franchise Agreement, or 2) execute the Owners Agreement attached hereto as Schedule E (or Graze Craze Franchising's then-current standard form); and (vi) no part of the Marks shall form part of the business entity's legal name. In furtherance of this Section 2.5, in the event Franchisee operates the Business through a business entity which is not named as an additional Franchisee in the Franchise Agreement, Franchisee hereby grants an irrevocable power of attorney to Graze Craze Franchising and appoints Graze Craze Franchising as Franchisee's attorney-in-fact to add the business entity to this Agreement as an additional Franchisee. Franchisee must furnish to Graze Craze Franchising, at any time upon request, a certified copy of its governing documents and a list, in a form Graze Craze Franchising requires, of all owners of record and all other persons having beneficial ownership in business entity reflecting their respective interests in said business entity.

**2.6 No Conflict.** Franchisee represents to Graze Craze Franchising that Franchisee: (i) is not violating any agreement (including any confidentiality or non-competition covenant) by entering into or performing under this Agreement; (ii) is not a direct or indirect owner of any Competitor; and (iii) is not listed or "blocked" in connection with, and is not in violation under, any anti-terrorism law, regulation, or executive order.

## ARTICLE 3. TERM

**3.1 Term.** This Agreement commences on the Effective Date and continues for 35 years.

**3.2 Successor Agreement.** When the term of this Agreement expires, Franchisee may enter into a successor agreement for one additional period of 35 years, subject to the following conditions prior to expiration:

(a) Franchisee notifies Graze Craze Franchising of the election to renew between 90 and 180 days prior to the end of the term;

(b) Franchisee (and its affiliates) are in compliance with this Agreement and all other agreements with Graze Craze Franchising (or any of its affiliates) at the time of election and at the time of renewal;

(c) Franchisee has made or agrees to make (within a period of time acceptable to Graze Craze Franchising) renovations and changes to the Business as Graze Craze Franchising requires to conform to the then-current System Standards;

(d) Franchisee executes Graze Craze Franchising's then-current standard form of franchise agreement, which may be materially different than this form (including, without limitation, higher and/or different fees), except that Franchisee will not pay another initial franchise fee and will not receive another renewal or successor term;

(e) Franchisee pays a renewal fee of $2,500; and

(f) Franchisee executes a general release (on Graze Craze Franchising's then-standard form) of any and all claims against Graze Craze Franchising, its affiliates, and their respective owners, officers, directors, agents and employees.

## ARTICLE 4. FEES

**4.1 Initial Franchise Fee.** Upon signing this Agreement, Franchisee shall pay an initial franchise fee in the amount stated on the Summary Page. This initial franchise fee is not refundable. If Franchisee submitted a deposit of $9,500 prior to executing this Agreement, such amount shall be credited towards the initial franchise fee.

**4.2 Royalty Fee.** Franchisee shall pay Graze Craze Franchising a weekly royalty fee (the "Royalty Fee") equal to 6% of Gross Revenues. The Royalty Fee for any given week is due on the Tuesday of the following week.

**4.3 Marketing Contributions.**

(a) Marketing/Brand Fund Contribution. Franchisee shall pay Graze Craze Franchising a contribution to the Marketing/Brand Fund (the "Marketing/Brand Fund Contribution") as determined by Graze Craze Franchising, not to exceed 4% of Franchisee's Gross Revenues, at the same time as the Royalty Fee. As of the Effective Date of this Agreement, the Marketing/Brand Fund Contribution is 2% of Franchisee's Gross Revenues.

(b) Market Cooperative Contribution. If the Business participates in a Market Cooperative, then Franchisee shall contribute to the Market Cooperative a percentage of Gross Revenues (or other amount) determined by the Market Cooperative.

**4.4 Equipment Package.** Franchisee shall purchase the equipment package described on Schedule A from Graze Craze Franchising (or another affiliate or third party designated by Graze Craze Franchising). Franchisee shall pay $12,500 toward the equipment package upon signing this Agreement and the balance due upon execution of Lease for your Store.

**4.5 Technology Fee**. Commencing when the Business opens to the public, Franchisee shall pay to Graze Craze Franchising a monthly technology fee of $125 or the then current fee for the hosting, support and maintenance of Franchisee's website, domain and email account(s) or address(es), and other technology matters. The technology fee is due and payable on the 5th day of each month.

**4.6 Third-Party Vendors.** If Graze Craze Franchising requires Franchisee to use a designated third-party vendor, Graze Craze Franchising has the right (but not the obligation) to collect payment on behalf of the vendor and remit the payment to the vendor. If Graze Craze Franchising does so, it may impose a reasonable markup or charge for administering the payment program.

**4.7 Non-Compliance Fee.** Graze Craze Franchising may charge Franchisee $500 for any instance of non-compliance with the System Standards or this Agreement (other than Franchisee's non-payment of a fee owed to Graze Craze Franchising) which Franchisee fails to cure after 30 days' notice. Thereafter, Graze Craze Franchising may charge Franchisee $250 per week until Franchisee ceases such non-compliance. This fee is a reasonable estimate of Graze Craze Franchising's internal cost of personnel time attributable to addressing the non-compliance and is not a penalty or estimate of all damages arising from Franchisee's breach. The non-compliance fee is in addition to all of Graze Craze Franchising's other rights and remedies.

**4.8 Reimbursement.** Graze Craze Franchising may (but is never obligated to) pay on Franchisee's behalf any amount that Franchisee owes to a supplier or other third party. If Graze Craze Franchising does so or intends to do so, Franchisee shall pay such amount plus a 10% administrative charge to Graze Craze Franchising within 15 days after invoice by Graze Craze Franchising accompanied by reasonable documentation.

**4.9 Payment Terms.**

(a) Method of Payment. Franchisee shall pay the Royalty Fee, Marketing/Brand Fund Contribution, and any other amounts owed to Graze Craze Franchising by pre-authorized bank draft or in such other manner as Graze Craze Franchising may require. Upon execution of this Agreement and/or at any other time thereafter at Graze Craze Franchising's request, the Franchisee shall sign an authorization substantially in the form attached to this Agreement as Schedule C and all other documents necessary to permit Graze Craze Franchising to withdraw funds from the Franchisee's designated bank account by electronic funds transfer in the amount of the Royalty Fee and all other fees and amounts described in this Agreement.

(b) Calculation of Fees. Franchisee shall report weekly Gross Revenues to Graze Craze Franchising by Tuesday of the following week. If Franchisee fails to report weekly Gross Revenues, then Graze Craze Franchising may withdraw estimated Royalty Fees and Marketing/Brand Fund Contributions equal to 125% of the last Gross Revenues reported to Graze Craze Franchising, and the parties will true-up the actual fees after Franchisee reports

Gross Revenues. Franchisee acknowledges that Graze Craze Franchising has the right to remotely access Franchisee's point-of-sale system to calculate Gross Revenues.

(c) Late Fees and Interest. If Franchisee does not make a payment on time, Franchisee shall pay a $100 "late fee" plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law).

(d) Insufficient Funds. Graze Craze Franchising may charge $30 for any payment returned for insufficient funds (or, if such amount exceeds the maximum allowed by law, then the fee allowed by law).

(e) Costs of Collection. Franchisee shall repay any costs incurred by Graze Craze Franchising (including reasonable attorney fees) in attempting to collect payments owed by Franchisee.

(f) Application. Graze Craze Franchising may apply any payment received from Franchisee to any obligation and in any order as Graze Craze Franchising may determine, regardless of any designation by Franchisee.

(g) Obligations Independent; No Set-Off. The obligations of Franchisee to pay to Graze Craze Franchising any fees or amounts described in this Agreement are not dependent on Graze Craze Franchising's performance and are independent covenants by Franchisee. Franchisee shall make all such payments without offset or deduction.

**4.11 Alcohol Sales.** If Franchisee sells beer, wine or other alcoholic beverages, and if applicable law (state or local) prohibits or restricts Franchisee's ability to pay (or Graze Craze Franchising's ability to collect) Royalty Fees or other amounts based on Gross Revenues derived from the sale of alcoholic beverages by the Business, or if such law would require Graze Craze Franchising be licensed to sell alcoholic beverages, then the parties will exclude alcoholic beverage sales from Gross Revenues and mutually agree on a substitute so as to provide the same basic economic effect to both parties.

## ARTICLE 5. ASSISTANCE

**5.1 Pre-Opening Assistance.** Before Franchisee opens for business, Graze Craze Franchising (either directly or through an affiliate or third party) shall:

(a) Provide advice in regard to establishing the Business.

(b) Through its affiliate, Franchise Real Estate, provide assistance in locating a site for the Location and in negotiating the Lease of the Location. Franchisee acknowledges that Franchise Real Estate may be compensated by the Landlord for these services.

(c) Provide consultation and advice with regard to alterations, refurbishment, renovation, decoration or other work necessary for the conversion of the Location into a Graze Craze®, including layout designs; provided, however, that such consultation and advice will be provided by Graze Craze Franchising's affiliate, Franchise Real Estate, on such terms the affiliate currently offers.

(d) Loan to Franchisee prototype architectural drawings for the Location.

(e) Advise Franchisee with regard to the way in which fixtures and equipment are to be installed in the Location with a view to the efficient operation of the Business.

(f) Sell (either directly or through an affiliate or other entity) to Franchisee the equipment, appliances, signs, fixtures, furniture, and other items (the "Equipment Package") listed in Schedule A to this Agreement.

(g) Provide Franchisee with list of approved suppliers of the products to be sold at the Business.

(h) Inspect the Business upon completion of construction and installation of the equipment, furniture, and fixtures to determine that it meets Graze Craze Franchising's current standards.

(i) Make available its standard initial training at Graze Craze Franchising's headquarters and/or a store location designated by Graze Craze Franchising. Graze Craze Franchising shall not charge any fee for Franchisee's attendance at initial training, and will cover the cost of Franchisee's airfare (one coach class round trip airfare, baggage and other fees not included) and hotel accommodations and one daily meal for one person during the initial training program. Graze Craze Franchising will charge a reasonable fee for additional persons attending training, and Franchisee is responsible for any additional out-of-pocket attendees incurred by him or her during initial training, and travel, lodging, meal, and other out-of-pocket expenses for additional attendees. Any additional persons attending training will be required sign an agreement on Graze Craze Franchising's standard form not to misuse or disclose to any third party any information or knowledge concerning Graze Craze Franchising's business or the System.

(j) Provide for a period of 10 days, a member of Graze Craze Franchising's staff to assist in initial on-site training and guidance on commencement of operations of the Business. Graze Craze Franchising shall pay the travel and other costs of its staff member for this purpose.

(k) Provide Franchisee with the Manual, which includes statements of policies and procedures, together with instruction and advice in the operation of the Business.

(l) Provide Franchisee with other relevant manuals and written material which, in its discretion, Graze Craze Franchising deems necessary.

**5.2 Post-Opening Assistance.** After Franchisee opens for business, Graze Craze Franchising (either directly or through an affiliate or third party) shall:

(a) Provide Franchisee with details of any alterations and/or improvements in or to the System.

(b) At no cost to Franchisee, periodically visit the Business and furnish to Franchisee such advice and assistance in connection with the operation of the Business as is, from time to time, reasonably required in Graze Craze Franchising's sole discretion. Operating assistance may consist of advice and guidance with respect to:

(i) Methods and procedures for the purchase, storage, display, preparation and sale of approved products and the supply of approved services;

(ii) New and additional products and services as Graze Craze Franchising may approve, from time to time, to be used or offered for sale by the Business;

(iii) The purchase, operation, maintenance and use of equipment, displays, uniforms, materials and supplies;

(iv) Implementation of advertising and promotional programs approved by Graze Craze Franchising;

(v) Establishment and implementation of administrative, accounting, inventory control and general operating procedures for the operation of the Business;

(vi) Prices to be charged for menu items sold in the Business; and

(vii) The operation, cleanliness, and efficiency of the Business.

(c) Franchisee may at any time request that Graze Craze Franchising send a field/marketing representative to aid Franchisee in the Business. If Graze Craze Franchising has a representative available at the time of the request, Graze Craze Franchising will send a representative at its then-current fee for special assistance (including travel expenses).

(d) Graze Craze Franchising will, from time to time, free of charge, send to Franchisee bulletins on sales and service methods, marketing development and techniques, and/or business and operating procedures.

(e) Graze Craze Franchising will offer to advice to Franchisee regarding Franchisee's equipment, computer hardware and software, and food service processes by telephone and electronic communication.

## ARTICLE 6. LOCATION, DEVELOPMENT, AND OPENING

**6.1 Determining Location and Territory.** If the Location and Territory are not stated on the Summary Page:

(i) Franchisee shall find a potential Location within the Development Area described on the Summary Page, and submit its proposed Location to Graze Craze Franchising for acceptance, with all related information Graze Craze Franchising may request. If Graze Craze Franchising does not accept the proposed Location in writing within 30 days, then it is deemed rejected.

(ii) When Graze Craze Franchising accepts the Location, it shall issue a Location Acceptance Letter in the form of Schedule B, which will state the Location and Territory (as determined by Graze Craze Franchising in its discretion).

(iii) **Graze Craze Franchising's advice regarding or acceptance of a site is not a representation or warranty that the Business will be successful and Graze Craze Franchising has no liability to Franchisee with respect to the location of the Business.**

**6.2 Lease.** In connection with any lease between Franchisee and the landlord of the Location, if requested by Graze Craze Franchising, Franchisee must submit the proposed lease to Graze Craze Franchising for written approval.

**6.3 Development.** Franchisee shall construct (or remodel) and finish the Location in conformity with Graze Craze Franchising's System Standards. If required by Graze Craze Franchising, Franchisee shall engage the services of an architect licensed in the jurisdiction of the Location. Franchisee shall not begin any construction or remodeling work without first obtaining Graze Craze Franchising's approval of Franchisee's plans. Graze Craze Franchising may, but is not required to, inspect Franchisee's construction or remodeling progress at any reasonable time. Franchisee shall not rely upon any information provided or opinions expressed by Graze Craze Franchising or its representatives regarding any architectural, engineering, or legal matters in the development and construction of the Business, and Graze Craze Franchising assumes no liability with respect thereto. Graze Craze Franchising's inspection and/or approval to open the Business is not a representation or a warranty that the Business meets any architectural, engineering, or legal standards.

**6.4 New Franchisee Training.** Franchisee must complete Graze Craze Franchising's training program for new franchisees to Graze Craze Franchising's satisfaction.

**6.5 Conditions to Opening.** Franchisee shall notify Graze Craze Franchising at least 30 days before Franchisee intends to open the Business to the public. Before opening, Franchisee must satisfy all of the following conditions: (1) Franchisee is in compliance with this Agreement; (2) Franchisee has obtained all applicable governmental permits and authorizations; (3) the Business conforms to all applicable System Standards; (4) Graze Craze Franchising has inspected and approved the Business; (5) Franchisee has hired sufficient employees; (6) Franchisee and Franchisee's employees have completed all of Graze Craze Franchising's required pre-opening training; and (7) Graze Craze Franchising has given its written approval to open, which will not be unreasonably withheld.

**6.6 Opening Date.** Franchisee shall open the Business to the public within 300 days after the Effective Date.

**6.7 Relocation.** In the event that the Franchisee wishes to relocate, the Franchisee must obtain written approval from Graze Craze Franchising of the proposed new location prior to any relocation of the Graze Craze Store. Such approval shall not be unreasonably withheld. Such relocation shall be solely at the Franchisee's expense. If the Franchisee relocates the Graze Craze Store without Graze Craze Franchising's approval, in addition to the terms and conditions set forth in Section 16, Graze Craze Franchising may require the Franchisee at the Franchisee's additional and sole expense to relocate the Graze Craze Store to another location which Graze Craze Franchising has approved or designated as suitable.

## ARTICLE 7. OPERATIONS

**7.1 Compliance with Manual and System Standards**. Franchisee shall at all times and at its own expense comply with all mandatory obligations contained in the Manual and with all other System Standards.

**7.2 Compliance with Law.** Franchisee and the Business shall comply with all laws and regulations. Franchisee and the Business shall obtain and keep in force all governmental permits and licenses necessary for the Business.

**7.3 Food Service.**

(a) Menu. Franchisee shall offer all menu items and other products and services, and only those menu items, products, and services, from time to time prescribed by Graze Craze Franchising in the Manual or otherwise in writing.

(b) Preparation. Franchisee shall follow all recipes prescribed by Graze Craze Franchising, including, without limitation, use of all ingredients specified or authorized by Graze Craze Franchising, and only such ingredients to the extent required by the Manual any designated proprietary products or ingredients such as meats, special seasonings and sauces from Graze Craze Franchising or a designated supplier (which may be an Affiliate). Franchisee agrees that such ingredients are prepared pursuant to secret, proprietary recipes and/or procedures belonging to Graze Craze Franchising.

(c) Method of Sale. Franchisee shall make sales only at the Location, or by off-site catering services, or at temporary event locations (e.g. street festivals). Unless otherwise approved or required by Graze Craze Franchising, Franchisee shall not make sales by any other means, including without limitation at a satellite locations, in the absence of an additional Franchise Agreement. Graze Craze Franchising retains the right to determine (and to change at any time) an area outside of which Franchisee cannot offer catering. If Graze Craze Franchising permits (or requires delivery), Graze Craze Franchising retains the right to determine (and to change at any time) an area outside of which Franchisee cannot offer delivery. Franchisee's area for delivery and/or catering may be different from the Territory.

(d) Alcohol. Franchisee may serve beer and wine only with prior approval of Graze Craze Franchising, and only if Franchisee has obtained all applicable permits and licenses.

(e) Uniformity & Conformity. In all regards, Franchisee agrees that strict conformity with this Agreement, the System, and the Manual, is vitally important to the collective success of all Graze Craze® Stores, including Franchisee's Stores, because of the benefits Franchisee and other Graze Craze® operators will derive from uniformity in menu items, identity, quality, appearance, facilities, and service among all Graze Craze® Stores. Any material failure to adhere to the requirements contained in this Agreement or in the Manual will be considered a material breach of this Agreement.

**7.4 Prices.** Notwithstanding any provision of this Agreement or the Manual to the contrary, Franchisee retains the sole discretion to determine the prices it charges for products and services.

**7.5 Personnel.**

(a) Management. The Business must at all times be under the on-site supervision of Franchisee or a general manager who has been properly trained by Franchisee or who has completed Graze Craze Franchising's training program for managers.

(b) Business Operations Training. Graze Craze Franchising reserves the right to set System Standards for operational training and deployment in addition to the initial training program for Franchisee and the general manager. Without limiting the generality of the foregoing, as of the date of this Agreement, Graze Craze Franchising requires that Franchisee employ at least two individuals in the Business working a combined total of 12 shifts each week (a shift being defined as either one hour prior to opening to 3:00 pm or 3:00 pm to one hour prior to closing) that have completed the designated training program at a Certified Training Store. Franchisee and/or the general manager may serve this role if they have completed the designated training program. If Franchisee fails to have at least two such trained employees working the required number of shifts for a period lasting more than 120 days, Franchisee will be in default of this Agreement.

(c) Service. Franchisee shall cause its personnel to render competent and courteous service to all customers and members of the public. Franchisee and Franchisee's employees shall handle all customer complaints, refunds, returns and other adjustments in a manner that will not detract from Graze Craze® name and goodwill.

(d) Appearance. Franchisee shall cause its personnel to comply with any dress attire, uniform, personal appearance, and hygiene standards set forth in the Manual.

(e) Qualifications. Graze Craze Franchising may set minimum qualifications for categories of employees employed by Franchisee.

(f) Sole Responsibility. Franchisee is solely responsible for the terms and conditions of employment of all Business personnel, including recruiting, hiring, training, scheduling, supervising, compensation, and termination. Franchisee is solely responsible for all actions of its personnel. Franchisee and Graze Craze Franchising are not joint employers, and no employee of the Business will be an agent or employee of Graze Craze Franchising.

(g) Post-Opening Training. Graze Craze Franchising may at any time require that Franchisee and/or any of Franchisee's employees (including shift leaders and general managers) complete training programs in any format and in any location determined by Graze Craze Franchising. Graze Craze Franchising may charge a reasonable fee for any training programs. Graze Craze Franchising may require Franchisee to provide training programs to its employees. If a training program is held at a location which requires travel by Franchisee or any other employee, then Franchisee shall pay all travel, living and other expenses.

**7.6 Certified Training Stores.** Graze Craze Franchising may implement a program for certain stores to be certified by Graze Craze Franchising for the purpose of training managers, shift leaders, and/or other employees in the System ("Certified Training Stores"), on such terms and conditions as Graze Craze Franchising may determine. Graze Craze Franchising may require Franchisee to have its Business be a Certified Training Store, to maintain such certification, and

to train managers, shift leaders, and/or other employees of other franchisees at Franchisee's Certified Training Store.

**7.7 Software.** Without limiting the generality of Section 7.1 or Section 8.1, Franchisee shall acquire and use all software and related systems required by Graze Craze Franchising. Franchisee shall enter into any subscription and support agreements that Graze Craze Franchising may require. Franchisee shall upgrade, update, or replace any software from time to time as Graze Craze Franchising may require. Franchisee shall protect the confidentiality and security of all software systems and shall abide by any System Standards related thereto. Franchisee shall give Graze Craze Franchising unlimited access to Franchisee's point-of-sale system and other software systems used in the Business by any means designated by Graze Craze Franchising.

**7.8 Customer Complaints.** Franchisee shall use its best efforts to promptly resolve any customer complaints. Graze Craze Franchising may take any action it deems appropriate to resolve a customer complaint regarding the Business, and Graze Craze Franchising may require Franchisee to reimburse Graze Craze Franchising for any expenses.

**7.9 Customer Evaluation and System Compliance Programs.** Franchisee shall participate at its own expense in programs required from time to time by Graze Craze Franchising for obtaining customer evaluations and/or reviewing Franchisee's compliance with the System, which may include (but are not limited to) a customer feedback system, customer survey programs, and mystery shopping. Graze Craze Franchising shall share with Franchisee the results of these programs as they pertain to the Business. Franchisee must meet or exceed any minimum score requirements set by Graze Craze Franchising for such programs.

**7.10 Payment Systems.** Franchisee shall accept payment from customers in any form or manner designated by Graze Craze Franchising (which may include, for example, cash, specific credit and/or debit cards, gift cards, electronic fund transfer systems, and mobile payment systems). Franchisee shall purchase or lease all equipment and enter into all business relationships necessary to accept payments as required by Graze Craze Franchising. Franchisee must at all times comply with payment card industry data security standards (PCI-DSS).

**7.11 Online and Third-Party Ordering.** Graze Craze Franchising may, in its sole discretion, develop, operate, maintain, and enhance a set of standards, procedures, and technological means for the purpose of interacting with and selling to customers and enhancing the presence of the System, including, without limitation: (1) accepting customer orders that are placed with, submitted to, and received by the System; (2) referring customer orders to franchisees (and, where applicable, other parties) for preparation, fulfillment, and delivery or pick-up; and, (3) coordinating the placement or fulfillment of orders by and through third-parties, business customers, and other Graze Craze® ordering programs. These programs may include, without limitation, an online ordering system; a System-wide call center; "inter-franchise" ordering system; corporate account or gift programs with dedicated business customers; co-branding and other collaborative marketing activities with other businesses; or any other such ordering activities or methods as may be developed in the future. These programs may be administered, in Graze Craze Franchising's sole discretion as Graze Craze Franchising deems best. Graze Craze Franchising may administer the programs or appoint one of its affiliates or an unaffiliated third party to administer the program. Graze Craze Franchising may require Franchisee to participate

in the programs, and further require Franchisee to pay any and all fees associated with its participation. Graze Craze Franchising may also prohibit Franchisee from participating in the programs. Franchisee's right or obligation to participate in the programs shall be at Graze Craze Franchising's sole and absolute discretion. In the event that Graze Craze Franchising permits or requires Franchisee to participate in the programs, (1) Franchisee shall participate in accordance with Graze Craze Franchising's rules, requirements, restrictions and standards, which Graze Craze Franchising may change from time to time in its sole and absolute discretion, and (2) Graze Craze Franchising may rescind and revoke such permission or requirement at any time, without notice, and for any reason in Graze Craze Franchising's sole and absolute discretion.

**7.12 Gift Cards, Loyalty Programs, and Incentive Programs.** At its own expense, Franchisee shall sell or otherwise issue gift cards, certificates, or other pre-paid systems, and participate in any customer loyalty programs or customer incentive programs, designated by and in the manner specified by Graze Craze Franchising in the Manual or otherwise in writing. Franchisee shall honor all valid gift cards and other pre-paid systems, regardless of whether issued by Franchisee or another Graze Craze® business. Franchisee shall comply with all procedures and specifications of Graze Craze Franchising related to gift cards, certificates, and other pre-paid systems, or related to customer loyalty or customer incentive programs.

**7.13 Maintenance and Repair.** Franchisee shall at all times keep the Business in a neat and clean condition, perform all appropriate maintenance, and keep all physical property in good repair. In addition, Franchisee shall promptly perform all work on the physical property of the Business as Graze Craze Franchising may prescribe from time to time, including but not limited to, periodic interior and exterior painting; resurfacing of the parking lot; roof repairs; and replacement of obsolete or worn-out signage, floor coverings, furnishings, equipment, and décor. Franchisee acknowledges that the System Standards may include requirements for cleaning, maintenance, and repair.

**7.14 Remodeling.** In addition to Franchisee's obligations to comply with all System Standards in effect from time to time, Graze Craze Franchising may require Franchisee to undertake and complete a Remodel of the Location to Graze Craze Franchising's satisfaction. Franchisee must complete the Remodel in the timeframe specified by Graze Craze Franchising. Graze Craze Franchising may require the Franchisee to submit plans for Graze Craze Franchising's reasonable approval prior to commencing a required Remodel. Graze Craze Franchising's right to require a Remodel is limited as follows: (i) the Remodel will not be required in the first two or last two years of the term (except that a Remodel may be required as a condition to renewal of the term or a Transfer), and (ii) a Remodel will not be required more than once every five years from the date on which Franchisee was required to complete the prior Remodel.

**7.15 Meetings.** Franchisee shall use reasonable efforts to attend all in-person meetings and remote meetings (such as telephone conference calls) that Graze Craze Franchising requires, including any national or regional brand conventions. Franchisee shall not fail to attend more than three consecutive required meetings.

**7.16 Insurance.**

(a) Franchisee shall obtain and maintain insurance policies in the types and amounts as specified by Graze Craze Franchising in the Manual. If not specified in the Manual, Franchisee shall maintain at least the following insurance coverage:

(i) comprehensive general liability policy with a minimum combined single limit covering bodily injury, property damage and products, and completed operations of $1,000,000;

(ii) all-risk property insurance including fire, vandalism, theft, burglary and extended coverage with primary and excess limits of at least 80% replacement value of the Business and its inventory, equipment and fixtures;

(iii) Employment Practices Liability Insurance with a combined single limit of at least $500,000 including full prior acts coverage, third party coverage and Fair Labor Standard Acts coverage;

(v) auto liability and physical damage coverage: $1 million combined single limit, $1 million hired/non-owned liability, $5,000 medical payments or Personal Injury Protection, and $1 million uninsured/underinsured motorists liability;

(vi) if the Business serves alcoholic beverages, separate coverage for liquor liability (commonly referred to as Dram Shop Liability) with limits of not less than $1,000,000 single limit per occurrence and $2,000,000 aggregate limit;

(vi) all insurance required by applicable law, including workers' compensation and disability (limits may vary according to geographical location). If the applicable laws in Franchisee's state do not require the owners of the Business to be covered by worker's compensation insurance, Franchisee shall elect coverage for himself or herself.

(b) Franchisee's policies (other than Workers Compensation) must: (1) list Graze Craze Franchising and affiliates, which we designate, as an additional insured; (2) include a waiver of subrogation in favor of Graze Craze Franchising and its affiliates; (3) be primary and non-contributing with any insurance carried by Graze Craze Franchising or its affiliates; and (4) stipulate that Graze Craze Franchising shall receive 30 days' prior written notice of cancellation.

(c) Franchisee shall provide Certificates of Insurance evidencing the required coverage to Graze Craze Franchising prior to opening and upon annual renewal of the insurance coverage as well as at any time upon request of Graze Craze Franchising.

**7.17 Suppliers and Landlord.** Franchisee shall pay all vendors and suppliers in a timely manner. If Franchisee leases the Location, Franchisee shall comply with its lease for the Location.

**7.18 Public Relations.** Franchisee shall not make any public statements (including giving interviews or issuing press releases) regarding Graze Craze Franchising, the System, the network

of franchisees, the Business, or any particular incident or occurrence related to the Business, without Graze Craze Franchising's prior written approval.

**7.19 Association with Causes.** Franchisee shall not in the name of the Business: (i) donate money, products, or services to any charitable, political, religious, or other organization; or (ii) act in support of any such organization, without Graze Craze Franchising's prior written approval.

**7.20 No Other Activity at the Location.** Franchisee shall not engage in any activity at the Location other than operation of the Business.

**7.21 No Other Businesses.** If Franchisee is an entity, Franchisee shall not own or operate any other business except Graze Craze® businesses.

**7.22 No Third-Party Management.** Franchisee shall not engage a third-party management company to manage or operate the Business without the prior written approval of Graze Craze Franchising, which will not be unreasonably withheld.

**7.23 No Co-Branding.** Franchisee shall not "co-brand" or associate any other business activity with the Business in a manner which is likely to cause the public to perceive it to be related to the Business.

**7.24 Identification.** Franchisee must identify itself as the independent owner of the Business in the manner prescribed by Graze Craze Franchising. Franchisee must display at the Business signage prescribed by Graze Craze Franchising identifying the Location as an independently-owned franchise.

**7.25 Business Practices.** Franchisee, in all interactions with customers, employees, vendors, governmental authorities, and other third parties, shall be honest and fair. Franchisee shall comply with any code of ethics or statement of values from Graze Craze Franchising. Franchisee shall not take any action which may injure the goodwill associated with the Marks.

**7.26 Crisis Management**.

(a) "**Crisis Management Event**" means any event that occurs at or about Franchisee's Store premises or in connection with the operation of Franchisee's Store that has or may cause harm or injury to customers or employees, such as food contamination, food spoilage/poisoning, food tampering/sabotage, contagious diseases, natural disasters, terrorist acts, shootings or other acts of violence, data breaches, real or threatened, or any other circumstance which may materially and adversely affect the System or the goodwill symbolized by the Marks.

(b) Upon the occurrence of a Crisis Management Event, Franchisee agrees to immediately inform Graze Craze Franchising of such event and to cooperate fully with Graze Craze Franchising, Our designated representatives, and the appropriate authorities with respect to the investigation and resolution of the Crisis Management Event. In an effort to mitigate possible damages to the Marks and System, Franchisee must cooperate fully with Graze Craze Franchising with respect to management statements and other responses to the Crisis Management Event.

## ARTICLE 8. SUPPLIERS AND VENDORS

**8.1 Generally.** Franchisee shall acquire all Inputs required by Graze Craze Franchising from time to time in accordance with System Standards. Graze Craze Franchising may require Franchisee to purchase or lease any Inputs from Graze Craze Franchising, Graze Craze Franchising's designee, Required Vendors, Approved Vendors, and/or under Graze Craze Franchising's specifications. Graze Craze Franchising may change any such requirement or change the status of any vendor. To make such requirement or change effective, Graze Craze Franchising shall issue the appropriate System Standards.

**8.2 Equipment Package.** Without limiting the generality of the foregoing, Franchisee acknowledges that Graze Craze Franchising or its designated affiliate is the sole supplier of the Equipment Package described in Schedule A. Graze Craze Franchising and its affiliates expressly disclaim any warranties or representations as to the equipment, furniture, fixtures, and other items on Schedule A, including, without limitation, express or implied warranties as to merchantability or fitness for an intended purpose. Franchisee agrees to look solely to the manufacturer of the equipment, furniture, fixture, or other item in the event of any defects therein.

**8.3 Alternate Vendor Approval.** If Graze Craze Franchising requires Franchisee to purchase a particular Input only from an Approved Vendor or Required Vendor, and Franchisee desires to purchase the Input from another vendor, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by Graze Craze Franchising. Graze Craze Franchising may condition its approval on such criteria as Graze Craze Franchising deems appropriate, which may include evaluations of the vendor's capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. Graze Craze Franchising will provide Franchisee with written notification of the approval or disapproval of any proposed new vendor within 30 days after receipt of Franchisee's request. Franchisee must pay the full cost of any tests or inspections as Graze Craze Franchising deems necessary, not to exceed $1,000.

**8.4 Alternate Input Approval.** If Graze Craze Franchising requires Franchisee to purchase a particular Input, and Franchisee desires to purchase an alternate to the Input, then Franchisee must submit a written request for approval and any information, specifications and/or samples requested by Graze Craze Franchising. Graze Craze Franchising will provide Franchisee with written notification of the approval or disapproval of any proposed alternate Input within 30 days after receipt of Franchisee's request. Franchisee must pay the full cost of any tests or inspections as Graze Craze Franchising deems necessary, not to exceed $1,000.

**8.5 Purchasing.** Graze Craze Franchising may implement a centralized purchasing system and negotiate prices and terms with vendors on behalf of the System. Graze Craze Franchising may receive rebates or payments from vendors in connection with purchases by franchisees. Graze Craze Franchising may establish a purchasing cooperative and require Franchisee to join and participate in the purchasing cooperative on such terms and conditions as Graze Craze Franchising may determine. Graze Craze Franchising may designate proprietary products and mixes which may only be available for purchase from Graze Craze Franchising or a designated supplier (which may be an Affiliate), in which case Graze Craze Franchising will sell it to franchisees at reasonable markup.

**8.6 No Liability of Franchisor.** Graze Craze Franchising shall not have any liability to Franchisee for any claim or loss related to any product provided or service performed by any Approved Vendor or Required Vendor, including without limitation defects, delays, or unavailability of products or services.

**8.7 Product Recalls.** If Graze Craze Franchising or any vendor, supplier, or manufacturer of an item used or sold in Franchisee's Business issues a recall of such item or otherwise notifies Franchisee that such item is defective or dangerous, Franchisee shall immediately cease using or selling such item, and Franchisee shall at its own expense comply with all instructions from Graze Craze Franchising or the vendor, supplier, or manufacturer of such item with respect to the recall, repair, or other remedy of such item.

## ARTICLE 9. MARKETING

**9.1 Implementation.** Franchisee shall not use any marketing materials or campaigns (including point-of-sale materials, advertising, social media marketing, and sponsorships) that have not been approved by Graze Craze Franchising. Graze Craze Franchising's approval is not a warranty of any kind. Franchisee shall implement any marketing plans or campaigns determined by Graze Craze Franchising. Graze Craze Franchising will grant a variance to Franchisee upon Franchisee's request with respect to any marketing plan or campaign determined by Graze Craze Franchising for the purpose of Franchisee's compliance with any law or regulation, and Franchisee shall be solely responsible for ensuring Franchisee's materials and activities, including Franchisee's implementation of marketing plans and campaigns determined by Graze Craze Franchising, conform to applicable laws and regulations, do not infringe the intellectual property rights of any third party, including the trademarks, trade names, copyrights, copyright images, patents and designs belonging to a third party. Franchisee must restrict the targeting of public relations, promotional, sales and marketing activities and the activities of Franchisee and its agents to individuals and businesses located within Franchisee's Delivery Area. Franchisee shall not actively market areas outside of the Delivery Area using the Internet, telemarketing or other forms of direct marketing. Franchisee shall not indicate in any media, print or electronic, that you have a location or provide services in any area outside of the Delivery Area.

**9.2 Use By Graze Craze Franchising.** Graze Craze Franchising may use any marketing materials or campaigns developed by or on behalf of Franchisee, and Franchisee hereby grants an unlimited, royalty-free license to Graze Craze Franchising for such purpose.

**9.3 Marketing/Brand Fund.** In order to maximize the general public recognition and acceptance of Graze Craze Stores, Graze Craze Franchising may establish a Marketing/Brand Fund to promote the System on a local, regional, national, and/or international level. If Graze Craze Franchising has established a Marketing/Brand Fund:

(a) Separate Account. Graze Craze Franchising shall hold the Marketing/Brand Fund Contributions from all franchisees in one or more bank accounts separate from Graze Craze Franchising's other accounts.

(b) Use. Graze Craze Franchising shall use the Marketing/Brand Fund only for marketing, advertising, and public relations materials, programs, and campaigns (including at

local, regional, national, and/or international level), and related overhead. The foregoing includes such activities and expenses as Graze Craze Franchising reasonably determines, and may include, without limitation: development and placement of advertising and promotions; sponsorships; contests and sweepstakes; development of décor, trade dress, Marks, and/or branding; development and maintenance of brand websites; social media; internet activities; e-commerce programs; search engine optimization; market research; public relations, media or agency costs; trade shows and other events; printing and mailing;; and administrative and overhead expenses related to the Marketing/Brand Fund (including the compensation of Graze Craze Franchising's employees working on marketing and for accounting, bookkeeping, reporting, legal and other expenses related to the Marketing/Brand Fund). Graze Craze Franchising will develop and modify from time to time as necessary a Marketing/Brand Fund Policy, which will include procedures and guidelines for disbursement and expenditures from the Marketing/Brand Fund.

(c) Discretion. Franchisee agrees that expenditures from the Marketing/Brand Fund need not be proportionate to contributions made by Franchisee or provide a direct or indirect benefit to Franchisee. The Marketing/Brand Fund will be spent at Graze Craze Franchising's sole discretion, and Graze Craze Franchising has no fiduciary duty with regard to the Marketing/Brand Fund.

(d) Surplus or Deficit. Graze Craze Franchising may accumulate funds in the Marketing Fund and carry the balance over to subsequent years. If the Marketing Fund operates at a deficit or requires additional funds at any time, Graze Craze Franchising may loan such funds to the Marketing Fund on reasonable terms.

(e) Financial Statement. Graze Craze Franchising will prepare an unaudited annual financial statement of the Marketing Fund within 120 days of the close of Graze Craze Franchising's fiscal year and will provide the financial statement to Franchisee upon request.

**9.4 Marketing Cooperatives.** Graze Craze Franchising may establish market advertising and promotional cooperative funds ("Market Advertising Cooperative") in any geographical areas. If a Market Advertising Cooperative for the geographic area encompassing the Location has been established at the time Franchisee commences operations hereunder, Franchisee shall immediately become a member of such Market Advertising Cooperative. If a Market Advertising Cooperative for the geographic area encompassing the Location is established during the term of this Agreement, Franchisee shall become a member of such Market Advertising Cooperative within 30 days. Graze Craze Franchising shall not require Franchisee to be a member of more than one Market Advertising Cooperative. If Graze Craze Franchising establishes a Market Advertising Cooperative:

(a) Governance. Each Market Advertising Cooperative will be organized, be governed, and commence operations on a date determined by Graze Craze Franchising. Graze Craze Franchising may require the Market Advertising Cooperative to adopt bylaws or regulations prepared by Graze Craze Franchising. Unless otherwise specified by Graze Craze Franchising, the activities carried on by each Market Advertising Cooperative shall be decided by a majority vote of its members. Graze Craze Franchising will be entitled to attend and participate in any meeting of a Market Advertising Cooperative. Any Graze Craze® business owned by Graze Craze Franchising in the Market Advertising Cooperative shall have the same

voting rights as those owned by its franchisees. Each Business owner will be entitled to cast one vote for each Business owned, provided, however, that a franchisee shall not be entitled to vote if it is in default under its franchise agreement. If the members of a Market Advertising Cooperative are unable or fail to determine the manner in which Market Advertising Cooperative monies will be spent, Graze Craze Franchising may assume this decision-making authority after 10 days' notice to the members of the Market Advertising Cooperative. All marketing materials or campaigns (including point-of-sale materials, advertising, social media marketing, and sponsorships) remain subject to approval of Graze Craze Franchising pursuant by Section 9.1.

(b) Purpose. Each Market Advertising Cooperative shall be devoted exclusively to administering regional advertising and marketing programs and developing (subject to Graze Craze Franchising's approval) standardized promotional materials for use by the members in local advertising and promotion.

(c) Approval. No advertising or promotional plans or materials may be used by a Market Advertising Cooperative or furnished to its members without the prior approval of Graze Craze Franchising pursuant to Section 9.1. Graze Craze Franchising may designate the national or regional advertising agencies used by the Market Advertising Cooperative.

(d) Funding. The majority vote of the Market Advertising Cooperative will determine the dues to be paid by members of the Market Advertising Cooperative, including Franchisee, but not more than 5% of Gross Revenues.

(e) Enforcement. Only Graze Craze Franchising will have the right to enforce the obligations of franchisees who are members of a Market Advertising Cooperative to contribute to the Market Advertising Cooperative.

(f) Termination. Graze Craze Franchising may terminate any Market Advertising Cooperative. Any funds left in a Market Advertising Cooperative upon termination will be transferred to the Marketing Fund.

**9.5 Required Spending.** Franchisee shall spend at least 5% of Gross Revenues each year on marketing the Business. Upon request of Graze Craze Franchising, Franchisee shall furnish proof of its compliance with this Section. Graze Craze Franchising has the sole discretion to determine what activities constitute "marketing" under this Section. Graze Craze Franchising may, in its discretion, determine whether Franchisee's Market Advertising Cooperative contributions will be counted towards Franchisee's required spending under this Section.

**9.6 Grand Opening Promotion.** Franchisee agrees to conduct an approved Grand Opening Promotion for the Store within 30 days prior or 120 days after its opening. Graze Craze Franchising will assist Franchisee in planning for the Grand Opening in accordance with our standards, including, without limitation, standards related to the timing, type, size, and amount spent on the grand opening promotion. All advertising, methods and media used in connection with such Grand Opening Promotion must have Graze Craze Franchising prior approval.

**9.7 Internet Marketing.** Graze Craze Franchising has the exclusive right to conduct and manage all marketing and commerce on the internet or other electronic medium, including all websites and "social media" marketing. Franchisee shall not conduct such marketing or commerce, nor establish any website or social media presence independently, except as Graze

Craze Franchising may specify, and only with Graze Craze Franchising's consent. Graze Craze Franchising retains the right to approve any linking to or other use of Graze Craze Franchising's website. Franchisee must comply with any internet, online commerce and/or social media policy that Graze Craze Franchising may prescribe.

9.8 **Loyalty, Rewards, Promotional and Test Programs**. Graze Craze Franchising or our Affiliate may, from time to time, in our sole discretion, develop and administer national or regional advertising and sales promotion programs, loyalty and rewards programs (including, without limitation, gift card, gift certificate and other customer loyalty or retention programs) and test programs. Franchisee must participate in all such programs, at Franchisees expense and sign the forms and take the actions that Graze Craze Franchising require to participate in such programs. Franchisee acknowledge that such participation may require Franchisee to purchase reasonable point of sale advertising material, posters, flyers, product displays and other promotional materials.

## ARTICLE 10. RECORDS AND REPORTS

**10.1 Systems.** Franchisee shall use such customer data management, sales data management, administrative, bookkeeping, accounting, and inventory control procedures and systems as Graze Craze Franchising may specify in the Manual or otherwise in writing.

**10.2 Reports.**

(a) Financial Reports. Franchisee shall provide such periodic financial reports as Graze Craze Franchising may require in the Manual or otherwise in writing, including:

(i) a quarterly profit and loss statement and balance sheet for the Business within 30 days after the end of each fiscal quarter of Graze Craze Franchising's fiscal year;

(ii) an annual financial statement (including profit and loss statement, cash flow statement, and balance sheet) for the Business within 90 days after the end of Graze Craze Franchising's fiscal year; and

(iii) any information Graze Craze Franchising requests in order to prepare a financial performance representation for Graze Craze Franchising's Franchise Disclosure Document.

(b) Tax Returns. For each of Franchisee's tax years, upon written request by Graze Craze Franchising, Franchisee shall supply to Graze Craze Franchising copies of Franchisee's federal and state tax returns and sales tax returns or in lieu of federal tax returns supply to Graze Craze Franchising each tax year IRS Form 4506-T (or any successor form designated by the IRS), executed by Franchisee, and authorizing the IRS to send Graze Craze Franchising a copy of Franchisee's Tax Return Transcript. Franchisee agrees to prepare and file such returns separately for the Business and not on a consolidated basis with the income, sales, expenses, or deductions of any other business with which Franchisee is associated reported therein.

(c) Legal Actions and Investigations. Franchisee shall promptly notify Graze Craze Franchising of any Action or threatened Action by any customer, governmental authority, or

other third party against Franchisee or the Business, or otherwise involving the Franchisee or the Business. Franchisee shall provide such documents and information related to any such Action as Graze Craze Franchising may request to compliance@ufgcorp.com.

(d) Government Inspections. Franchisee shall give Graze Craze Franchising , via certified mail or email to compliance@ufgcorp.com, copies of all business licenses, inspection reports, warnings, certificates, and ratings issued by any governmental entity with respect to the Business, within three days of Franchisee's receipt thereof.

(e) Other Information. Franchisee shall submit to Graze Craze Franchising such other financial statements, reports, records, copies of contracts, documents related to litigation, tax returns, copies of governmental permits, and other documents and information related to the Business as specified in the Manual or that Graze Craze Franchising may reasonably request.

**10.3 Initial Investment Report.** Within 120 days after opening for business, Franchisee shall submit to Graze Craze Franchising, via certified mail or email to compliance@ufgcorp.com, a report detailing Franchisee's investment costs to develop and open the Business, with costs allocated to the categories described in Item 7 of Graze Craze Franchising's Franchise Disclosure Document and with such other information as Graze Craze Franchising may request.

**10.4 Business Records.** Franchisee shall keep complete and accurate books and records reflecting all expenditures and receipts of the Business, with supporting documents (including, but not limited to, payroll records, payroll tax returns, register receipts, production reports, sales invoices, bank statements, deposit receipts, cancelled checks and paid invoices) for at least six years. Franchisee shall keep such other business records as Graze Craze Franchising may specify in the Manual or otherwise in writing.

**10.5 Records Audit.** Graze Craze Franchising may examine and audit all books and records related to the Business, and supporting documentation, at any reasonable time. Graze Craze Franchising may conduct the audit at the Location and/or require Franchisee to deliver copies of books, records and supporting documentation to a location designated by Graze Craze Franchising. Franchisee shall also reimburse Graze Craze Franchising for all costs and expenses of the examination or audit if the audit reveals that Franchisee understated Gross Revenues by 2% or more for the audited period.

## ARTICLE 11. FRANCHISOR RIGHTS

**11.1 Manual; Modification.** The Manual, and any part of the Manual, may be in any form or media determined by Graze Craze Franchising. Graze Craze Franchising may supplement, revise, or modify the Manual, and Graze Craze Franchising may change, add, or delete System Standards at any time in its discretion. Graze Craze Franchising may inform Franchisee thereof by any method that Graze Craze Franchising deems appropriate (which need not qualify as "notice" under Section 18.9). In the event of any dispute as to the contents of the Manual, Graze Craze Franchising's master copy will control.

**11.2 Inspections.** Graze Craze Franchising may enter the Location of the Business from time to time during normal business hours and conduct an inspection. Franchisee shall cooperate with Graze Craze Franchising's inspectors. The inspection may include, but is not limited to, observing operations, conducting a physical inventory, evaluating physical conditions,

monitoring sales activity, speaking with employees and customers, and removing samples of products, supplies and materials. Graze Craze Franchising may videotape and/or take photographs of the inspection and the Business. Without limiting Graze Craze Franchising's other rights under this Agreement, Franchisee will, as soon as reasonably practical, correct any deficiencies noted during an inspection. If Graze Craze Franchising conducts an inspection because of a governmental report, customer complaint or other customer feedback, or a default or non-compliance with any System Standard by Franchisee (including following up a previous failed inspection), then Graze Craze Franchising may charge all out-of-pocket expenses plus its then-current inspection fee to Franchisee.

**11.3 Graze Craze Franchising's Right to Cure.** If Franchisee breaches or defaults under any provision of this Agreement, Graze Craze Franchising may (but has no obligation to) take any action to cure the default on behalf of Franchisee, without any liability to Franchisee. Franchisee shall reimburse Graze Craze Franchising for its costs and expenses (including the allocation of any internal costs) for such action, plus 10% as an administrative fee.

**11.4 Right to Discontinue Supplies or Services Upon Default.** While Franchisee is in default or breach of this Agreement, Graze Craze Franchising may: (i) require that Franchisee pay cash on delivery for products or services supplied by Graze Craze Franchising; (ii) stop selling or providing any products and services to Franchisee or to suspend its performance of any obligations under this Agreement; and/or (iii) request any third-party vendors to not sell or provide products or services to Franchisee. No such action by Graze Craze Franchising shall be a breach or constructive termination of this Agreement, change in competitive circumstances or similarly characterized, and Franchisee shall not be relieved of any obligations under this Agreement because of any such action. Such rights of Graze Craze Franchising are in addition to any other right or remedy available to Graze Craze Franchising.

**11.5 Business Data.** All customer data and other non-public data generated by the Business is Confidential Information and is exclusively owned by Graze Craze Franchising. Graze Craze Franchising hereby licenses such data back to Franchisee without charge solely for Franchisee's use in connection with the Business for the term of this Agreement.

**11.6 Innovations.** Franchisee shall disclose to Graze Craze Franchising all ideas, plans, improvements, concepts, methods, and techniques relating to the Business (collectively, "Innovations") conceived or developed by Franchisee, its employees, agents, or contractors. Graze Craze Franchising will automatically own all Innovations and will have the right to use and incorporate any Innovations into the System, without any compensation to Franchisee.

**11.7 Communication Systems.** If Graze Craze Franchising provides email accounts and/or other communication systems to Franchisee, then Franchisee acknowledges that it has no expectation of privacy in the assigned email accounts and other communications systems and authorizes Graze Craze Franchising to access such communications.

**11.8 Delegation.** Graze Craze Franchising may delegate any duty or obligation of Graze Craze Franchising under this Agreement to an affiliate or to a third party.

**11.9 System Variations.** Graze Craze Franchising may vary or waive any System Standard for any one or more Graze Craze® franchises due to the peculiarities of the particular site or

circumstances, density of population, business potential, population of trade area, existing business practices, local laws or regulations, or any other condition relevant to the performance of a franchise or group of franchises. Franchisee is not entitled to the same variation or waiver.

**11.10 Temporary Public Safety Closure.** If Graze Craze Franchising discovers or becomes aware of any aspect of the Business which, in Graze Craze Franchising's opinion, constitutes an imminent danger to the health or safety of any person, then immediately upon Graze Craze Franchising's order, Franchisee must temporarily cease operations of the Business and remedy the dangerous condition. Graze Craze Franchising shall have no liability to Franchisee or any other person for action or failure to act with respect to a dangerous condition.

**11.11 Internet Accounts.** Should Franchisee become the owner of any social media account, social networking website, other online account, domain name, or email address which include the trademark "Graze Craze®" or any Trademark or derivation of any Trademark belonging to Graze Craze Franchising, Franchisee shall, upon Graze Craze Franchising's written request, assign all rights, title and interest in those social media accounts, social networking websites, online accounts, domain names and email addresses to Graze Craze Franchising.

## ARTICLE 12. MARKS

**12.1 Authorized Marks.** Franchisee shall use no trademarks, service marks or logos in connection with the Business other than the Marks. Franchisee shall use all Marks specified by Graze Craze Franchising, and only in the manner as Graze Craze Franchising may require. Franchisee has no rights in the Marks other than the right to use them in the operation of the Business in compliance with this Agreement. All use of the Marks by Franchisee and any goodwill associated with the Marks, including any goodwill arising due to Franchisee's operation of the Business, will inure to the exclusive benefit of Graze Craze Franchising. All social media accounts social networking websites, other online accounts, domain names and email addresses that include the mark "Graze Craze Franchising" or any of the Trademarks will be the property of Franchisor. Should Franchisee become the owner of any social media account, social networking website, other online account, domain name, or email address which include or any Trademark or derivation of any Trademark belonging to Graze Craze Franchising, Franchisee shall, upon Franchisor's written request, assign all rights, title and interest in those social media accounts, social networking websites, online accounts, domain names and email addresses.

**12.2 Change of Marks.** Graze Craze Franchising may add, modify, or discontinue any Marks to be used under the System. Within a reasonable time after Graze Craze Franchising makes any such change, Franchisee must comply with the change, at Franchisee's expense.

**12.3 Infringement.** Franchisee shall promptly notify Graze Craze Franchising if Franchisee becomes aware of any possible infringement of a Mark by a third party. Graze Craze Franchising may, in its sole discretion, commence or join any claim against the infringing party. Graze Craze Franchising shall have the exclusive right to control any prosecution or defense of any Action related to possible infringement of or by the Marks.

## ARTICLE 13. COVENANTS

**13.1 Confidential Information.** With respect to all Confidential Information, Franchisee shall: (a) adhere to all procedures prescribed by Graze Craze Franchising for maintaining confidentiality; (b) disclose such information to its employees only to the extent necessary for the operation of the Business; (c) not use any such information in any other business or in any manner not specifically authorized in writing by Graze Craze Franchising; (d) exercise the highest degree of diligence and effort to maintain the confidentiality of all such information during and after the term of this Agreement; (e) not copy or otherwise reproduce any Confidential Information; and (f) promptly report any unauthorized disclosure or use of Confidential Information. Franchisee acknowledges that all Confidential Information is owned by Graze Craze Franchising (except for Confidential Information which Graze Craze Franchising licenses from another person or entity). This Section will survive the termination or expiration of this Agreement indefinitely.

**13.2 Covenants Not to Compete.**

(a) Restriction – In-Term. During the term of this Agreement, Franchisee shall not, directly or indirectly, have any ownership interest in, or be engaged or employed by, any Competitor.

(b) Restriction – Post-Term. For two years after this Agreement expires or is terminated for any reason (or, if applicable, for two years after a Transfer), Franchisee shall not, directly or indirectly have any ownership interest in, or be engaged or employed by, any Competitor within ten miles of Franchisee's Territory or the territory of any other Graze Craze® business operating on the date of termination or transfer, as applicable.

(c) Interpretation. The parties agree that each of the foregoing covenants is independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Section is held to be unenforceable or unreasonable by any court, then the parties intend that the court modify such restriction to the extent reasonably necessary to protect the legitimate business interests of Graze Craze Franchising. Franchisee agrees that the existence of any claim it may have against Graze Craze Franchising shall not constitute a defense to the enforcement by Graze Craze Franchising of the covenants of this Section. If Franchisee fails to comply with the obligations under this Section during the restrictive period, then the restrictive period will be extended an additional day for each day of noncompliance.

**13.3 Key Employees.** If requested by Graze Craze Franchising, Franchisee will cause its key employees to sign Graze Craze Franchising's then-current form of confidentiality and non-compete agreement.

**13.4 Non-Disparagement.** Franchisee shall at no time make any derogatory statements about or otherwise disparage, defame, impugn, or damage the reputation of integrity of the others,

including Graze Craze Franchising and other Graze Craze Franchising franchisees in the System, provided that nothing contained herein will preclude Franchisee from providing truthful information in response to compulsory legal process. Franchisee shall not, and to use Franchisee's best efforts to cause any of Franchisee's agents, employees, or affiliates to not, disparage or otherwise speak or write negatively, directly or indirectly, of Graze Craze Franchising, Graze Craze Franchising's affiliates, and Franchisor's franchisees, or which would subject Graze Craze Franchising, Graze Craze Franchising's affiliates, or Graze Craze Franchising's franchisees to ridicule, scandal, reproach, scorn, or indignity or which would negatively impact the goodwill of those parties.

## ARTICLE 14. DEFAULT AND TERMINATION

### 14.1 Termination by Graze Craze Franchising.

(a) Subject to 15-Day Cure Period. Graze Craze Franchising may terminate this Agreement if: (i) Franchisee does not make any payment to Graze Craze Franchising when due, or if Franchisee does not have sufficient funds in its account when Graze Craze Franchising attempts an electronic funds withdrawal; or (ii) Franchisee fails to operate the Business in compliance with any System Standard, and Franchisee fails to cure such non-payment or non-compliance within 15 days after Graze Craze Franchising gives notice to Franchisee of such breach.

(b) Subject to 30-Day Cure Period. If Franchisee breaches this Agreement in any manner not described in subsection (a) or (c) and fails to cure such breach to Graze Craze Franchising's satisfaction within 30 days after Graze Craze Franchising gives notice to Franchisee of such breach, then Graze Craze Franchising may terminate this Agreement.

(c) Without Cure Period. Graze Craze Franchising may terminate this Agreement by giving notice to Franchisee, without opportunity to cure, if any of the following occur:

(i) Franchisee misrepresented or omitted material facts when applying to be a franchisee, or breaches any representation in this Agreement;

(ii) Franchisee knowingly submits any false report or knowingly provides any other false information to Graze Craze Franchising;

(iii) a receiver or trustee for the Business or all or substantially all of Franchisee's property is appointed by any court, or Franchisee makes a general assignment for the benefit of Franchisee's creditors or Franchisee makes a written statement to the effect that Franchisee is unable to pay its debts as they become due, or a levy or execution is made against the Business, or an attachment or lien remains on the Business for 30 days unless the attachment or lien is being duly contested in good faith by Franchisee, or a petition in bankruptcy is filed by Franchisee, or such a petition is filed against or consented to by Franchisee and the petition is not dismissed within 45 days, or Franchisee is adjudicated as bankrupt;

(iv) Franchisee fails to complete the initial training program to Graze Craze Franchising's satisfaction as required under Section 6.4;

(v) Franchisee fails to open for business within 365 days of execution of the Franchise Agreement;

(vi) Franchisee loses possession of the Location;

(vii) Franchisee commits a material violation of Section 7.2 (compliance with laws) or Section 13.1 (confidentiality), violates Section 13.2 (non-compete) or Article 15 (transfer), or commits any other violation of this Agreement which by its nature cannot be cured;

(viii) Franchisee abandons or ceases operation of the Business for more than five consecutive days;

(ix) Franchisee slanders or libels Graze Craze Franchising or any of its employees, directors, or officers;

(x) Franchisee refuses to cooperate with or permit any audit or inspection by Graze Craze Franchising or its agents or contractors, or otherwise fails to comply with Section 10.5 or Section 11.2;

(xi) the Business is operated in a manner which, in Graze Craze Franchising's reasonable judgment, constitutes a significant danger to the health or safety of any person, and Franchisee fails to cure such danger within 48 hours after becoming aware of the danger (due to notice from Graze Craze Franchising or otherwise);

(xii) Franchisee has not obtained a valid liquor license for its Business from the appropriate governmental authorities and/or Franchisee has failed to obtain approval from Graze Craze Franchising before Franchisee offers or sells any alcoholic beverages from Franchisee's Business;

(xiii) Franchisee has received two or more notices of default and Franchisee commits another breach of this Agreement, all in the same 12-month period;

(xiv) Graze Craze Franchising (or any affiliate) terminates any other agreement with Franchisee (or any affiliate) due to the breach of such other agreement by Franchisee (or its affiliate) (provided that termination of a Multi-Unit Development Agreement with Franchisee or its affiliate shall not give Graze Craze Franchising the right to terminate this Agreement); or

(xv) Franchisee is accused by any governmental authority or third party of any act that in Graze Craze Franchising's opinion is reasonably likely to materially and unfavorably affect Graze Craze® brand, or is charged with, pleads guilty to, or is convicted of a felony.

(d) No Termination by Franchisee. THIS FRANCHISE AGREEMENT MAY BE TERMINATED ONLY BY GRAZE CRAZE FRANCHISING, AND MAY NOT BE UNILATERALLY TERMINATED BY FRANCHISEE.

**14.2 Effect of Termination.** Upon termination or expiration of this Agreement, all obligations that by their terms or by reasonable implication survive termination, including those pertaining to non-competition, confidentiality, indemnity, and dispute resolution, will remain in effect, and Franchisee must immediately:

(a) pay all amounts owed to Graze Craze Franchising based on the operation of the Business through the effective date of termination or expiration;

(b) return to Graze Craze Franchising all copies of the Manual, Confidential Information and any and all other materials provided by Graze Craze Franchising to Franchisee or created by a third party for Franchisee relating to the operation of the Business, and all items containing any Marks, copyrights, and other proprietary items; and delete all copies of Confidential Information and proprietary materials from electronic devices, and turn over to Graze Craze Franchising all intellectual property associated with the Business and the System, including, but not limited to the following: any and all digital assets, including, but not limited to, all digitally-stored content (such as images, photos, videos and text files), whether stored locally at the Business or accessible via the internet, the cloud, or another digital storage device (such as a USB drive or zip drive) or stored with a third-party digital-storage provider (such as OneDrive or Dropbox); and all user names and passwords for any and all email accounts, social networking websites (such as Facebook®, Twitter®, LinkedIn®, Google+®, YouTube®, Pinterest®, Instagram®, Tumblr®, Flickr®, Reddit®, Snapchat®, TikTok®, Twitch®, Quora®, Medium®, Triller®, and WhatsApp®), blogs, review websites (such as Yelp® or Angie's List®), and any other online communities where the Business created or shared online content, or held itself out as speaking for or representing the Business;

(c) notify the telephone, internet, email, electronic network, directory, and listing entities of the termination or expiration of Franchisee's right to use any numbers, addresses, domain names, locators, directories and listings associated with any of the Marks, and authorize their transfer to Graze Craze Franchising or any new designee as may be directed by Graze Craze Franchising, including the execution of the assignment attached to this Agreement as Schedule D, and Franchisee hereby irrevocably appoints Graze Craze Franchising, with full power of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest; to execute such directions and authorizations as may be necessary or appropriate to accomplish the foregoing;

(d) cancel any assumed-name or equivalent registration involving the Marks and furnish Graze Craze Franchising with satisfactory evidence that it has done so, within 10 days after termination or expiration; and

(e) permanently cease operating the Business and cease any use the Marks.

**14.3 Remove Identification.** Within 30 days after termination or expiration, Franchisee shall at its own expense "de-identify" the Location so that it no longer contains the Marks, signage, or any trade dress of a Graze Craze® business, to the reasonable satisfaction of Graze Craze Franchising. Franchisee shall comply with any reasonable instructions and procedures of Graze Craze Franchising for de-identification. If Franchisee fails to do so within 30 days after this Agreement expires or is terminated, Graze Craze Franchising may enter the Location to remove the Marks and de-identify the Location. In this event, Graze Craze Franchising will not be charged with trespass nor be accountable or required to pay for any assets removed or altered, or for any damage caused by Graze Craze Franchising.

**14.4 Post-Termination Activities.** After termination or expiration of this Agreement, Franchisee shall not, directly or indirectly, use any of the Marks, Confidential Information, or any aspect of the System. Franchisee shall not represent itself as a present or former franchisee of Graze Craze Franchising or in any other way associate himself or herself with the System or the Marks. If Franchisee continues to operate, or subsequently begins to operate, any other business, Franchisee shall not, in connection with such business or the promotion thereof, use any reproduction or colorable imitation of the Marks, imitate any methods of operation, or undertake any other conduct that is likely to cause confusion, mistake, or deception, or that is likely to dilute Graze Craze Franchising and/or its affiliate's respective rights in and to the Marks. Without limitation of the foregoing, Franchisee shall not at any time after expiration or termination use or attempt to register (or assist any third party to do the same) any trademarks, service marks, or other commercial symbol that is the same as or similar to any of the Marks, nor any mark with phonetic or graphic similarity to those of Graze Craze Franchising or its affiliates;

**14.5 Other Claims.** Termination of this Agreement by Graze Craze Franchising will not affect or discharge any claims, rights, causes of action or remedies (including claims for Graze Craze Franchising's lost future income after termination), which Graze Craze Franchising may have against Franchisee, whether arising before or after termination.

**14.6 Purchase Option.** When this Agreement expires or is terminated, Graze Craze Franchising will have the right (but not the obligation) to purchase any or all of the assets related to the Business at fair market value, and/or to require Franchisee to assign its lease or sublease to Graze Craze Franchising. To exercise this option, Graze Craze Franchising must notify Franchisee no later than 30 days after this Agreement expires or is terminated. If the parties cannot agree on fair market value within 30 days after the exercise notice, the fair market value will be determined by an independent appraiser reasonably acceptable to both parties. The parties will equally share the cost of the appraisal. Graze Craze Franchising's purchase will be of assets only (free and clear of all liens), and will not include any liabilities of Franchisee. If Graze Craze Franchising exercises the purchase option, Graze Craze Franchising may deduct from the purchase price: (a) all amounts due from Franchisee; (b) Franchisee's portion of the cost of any appraisal conducted hereunder; and (c) amounts paid or to be paid by Graze Craze Franchising to cure defaults under Franchisee's lease and/or amounts owed by Franchisee to third parties. If any of the assets are subject to a lien, Graze Craze Franchising may pay a portion of the purchase price directly to the lienholder to pay off such lien. Graze Craze Franchising may withhold 25% of the purchase price for 90 days to ensure that all of Franchisee's taxes and other liabilities are paid. Graze Craze Franchising may assign this purchase option to another party.

## ARTICLE 15. TRANSFERS

**15.1 By Graze Craze Franchising.** Graze Craze Franchising may transfer or assign this Agreement, or any of its rights or obligations under this Agreement, to any person or entity, and Graze Craze Franchising may undergo a change in ownership and/or control, without the consent of Franchisee.

**15.2 By Franchisee.** Franchisee acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee and that Graze Craze Franchising entered into this Agreement in reliance on Franchisee's business skill, financial capacity, personal character, experience, and business ability. Accordingly, Franchisee shall not conduct or undergo a Transfer without providing Graze Craze Franchising at least 60 days prior notice of the proposed Transfer, and without obtaining Graze Craze Franchising's consent. In granting any such consent, Graze Craze Franchising may impose conditions, including, without limitation, the following:

(a) Graze Craze Franchising receives a transfer fee equal to the greater of (1) $29,500; (2) 10% of the price for the sale of the business (not to exceed the amount of the then current franchise fee); or (3) the then current transfer fee required to be paid under the then current franchise agreement as established by Graze Craze Franchising at the time of transfer;

(b) the proposed assignee has completed Graze Craze Franchising's franchise application processes, met Graze Craze Franchising's then-applicable standards for new franchisees, and been approved by Graze Craze Franchising as a franchisee;

(c) the proposed assignee is not a Competitor;

(d) the proposed assignee executes Graze Craze Franchising's then-current form of franchise agreement, which form may contain materially different provisions;

(e) Franchisee has paid all monetary obligations to Graze Craze Franchising in full, and Franchisee is not otherwise in default or breach of this Agreement;

(f) the proposed assignee and its owners and employees undergo such training as Graze Craze Franchising may require;

(g) Franchisee turns over to Graze Craze Franchising all digital assets, including, but not limited to, all digitally-stored content (such as images, photos, videos and text files), whether stored locally at the Business or accessible via the internet, the cloud, or another digital storage device (such as a USB drive or zip drive) or stored with a third-party digital-storage provider (such as OneDrive or Dropbox); and all user names and passwords for any and all email accounts, social networking websites (such as Facebook®, Twitter®, LinkedIn®, Google+®, YouTube®, Pinterest®, Instagram®, Tumblr®, Flickr®, Reddit®, Snapchat®, TikTok®, Twitch®, Quora®, Medium®, Triller®, and WhatsApp®), blogs, review websites (such as Yelp® or Angie's List®), and any other online communities

where the Business created or shared online content, or held itself out as speaking for or representing the Business.

(h) Franchisee and the transferee and its owners execute a general release of Graze Craze Franchising in a form satisfactory to Graze Craze Franchising; and

(i) the Business fully complies with each System Standard.

**15.3 Transfer upon Death or Incapacity.** Upon the death or incapacity of Franchisee, Franchisee or his or her executor, administrator, or personal representative must assign this Franchise Agreement and Transfer the Business to a third party approved by Graze Craze Franchising within nine months after death or incapacity. Such transfer must comply with Section 15.2.

**15.4 Graze Craze Franchising's Right of First Refusal.** Before Franchisee engages in a Transfer, Graze Craze Franchising will have a right of first refusal, as set forth in this Section. Franchisee shall provide to Graze Craze Franchising a copy of the terms and conditions of any Transfer. For a period of 30 days from the date of Graze Craze Franchising's receipt of such copy, Graze Craze Franchising will have the right, exercisable by notice to Franchisee, to purchase the assets subject of the proposed Transfer for the same price and on the same terms and conditions (except that Graze Craze Franchising may substitute cash for any other form of payment). If Graze Craze Franchising does not exercise its right of first refusal, Franchisee may proceed with the Transfer, subject to the other terms and conditions of this Article.

**15.5 No Sublicense.** Franchisee has no right to sublicense the Marks or any of Franchisee's rights under this Agreement.

**15.6 No Lien on Agreement.** Franchisee shall not grant a security interest in this Agreement to any person or entity. If Franchisee grants an "all assets" security interest to any lender or other secured party, Franchisee shall cause the secured party to expressly exempt this Agreement from the security interest.

## ARTICLE 16. INDEMNITY

**16.1 Indemnity.** Franchisee shall indemnify and defend (with counsel reasonably acceptable to Graze Craze Franchising) Graze Craze Franchising, its parent entities, subsidiaries and affiliates, and their respective owners, directors, officers, employees, agents, successors and assignees (collectively, "Indemnitees") against all Losses in any Action by or against Graze Craze Franchising and/or any Indemnitee directly or indirectly related to, or alleged to arise out of, the operation of the Business or the use or occupancy of the Location or in connection with Franchisee's sale, transfer or assignment of the Business and franchise license. Notwithstanding the foregoing, Franchisee shall not be obligated to indemnify an Indemnitee from Actions arising as a result of any Indemnitee's willful misconduct or gross negligence. This indemnity will continue in effect after this Agreement ends. It is the intention of the parties to this Agreement that Graze Craze Franchising shall not be deemed a joint or co-employer with Franchisee for any reason; however, if Graze Craze Franchising incurs any Losses as a result of actions or omissions by Franchisee or its employees, including any that relate to any party making any finding of any joint or co-employer status, Franchisee will fully indemnify Graze Craze Franchising for any such Losses.

**16.2 Assumption by Graze Craze Franchising.** Graze Craze Franchising may elect to assume the defense and/or settlement of any Action subject to this indemnification, at Franchisee's expense. Such an undertaking shall not diminish Franchisee's obligation to indemnify the Indemnitees.

## ARTICLE 17. DISPUTE RESOLUTION

**17.1 Mediation.**

(a) Option for Non-Binding Mediation. Prior to litigation being initiated, either party may submit a dispute to non-binding mediation before the American Arbitration Association in accordance with its Commercial Mediation Procedures. Upon submission, the obligation to attend mediation shall be binding on all parties (except as provided in Subsection 17.1(b)), and all parties shall execute a confidentiality agreement regarding all aspects of the mediation reasonably satisfactory to Graze Craze Franchising. Each party will bear its own costs with respect to the mediation, except the fee for the mediator will be split equally. The mediation will take place in the state where Franchisee has its principal place of business.

(b) Limitation on Litigation. If a dispute has been submitted for mediation, then except as provided otherwise in this subsection (b), neither party will pursue litigation against the other with respect to the matters being mediated until after the mediation is concluded. Nothing in this Section will prevent any party from instituting or pursuing litigation at any time to preserve the status quo, protect the Marks, protect the health or safety of the public, or avoid irreparable harm. Graze Craze Franchising will not be required to participate in mediation under Subsection 17.1(a) if (i) Franchisee is more than 45 days past due in any payment owed to Graze Craze Franchising, or (ii) the mediation relates to the indemnification or insurance provisions of this Agreement.

**17.2 Arbitration.** Except to the extent Graze Craze Franchising elects to enforce the provisions of this Agreement by injunction as provided in this Agreement, any controversy or claim arising out of or relating to this Agreement, the business franchised hereunder or the relationship between the parties, including any claim that this Agreement, or any part thereof, is invalid, illegal, or otherwise void, shall be submitted to arbitration before the American Arbitration Association in accordance with its Commercial Arbitration Rules, in the locale of West Palm Beach, Florida, in which event both parties shall execute a confidentiality agreement reasonably satisfactory to Graze Craze Franchising. Judgment upon the award of the arbitrator may be entered in any court having jurisdiction thereof.

**17.3 Damages.** In any controversy or claim arising out of or relating to this Agreement, each party waives any right to punitive or other monetary damages not measured by the prevailing party's actual damages, except damages authorized by federal statute. In the event of termination of this Agreement prior to the expiration of the term due to Franchisee's default, Graze Craze Franchising's actual damages will include its lost future income from Royalty Fees and other amounts that Franchisee would have owed to Graze Craze Franchising but for the termination.

**17.4 Waiver of Class Actions.** The parties agree that any claims will be arbitrated, litigated, or otherwise resolved on an individual basis, and waive any right to act on a joint, consolidated, or class-wide basis.

**17.5 Time Limitation.** Franchisee must provide Graze Craze Franchising with immediate written notice of any breach of this Agreement, or any other agreement between Franchisee and any of the following parties, that Franchisee believes to have been committed or suffered by Graze Craze Franchising, its affiliates, or their respective owners, officers, directors, employees, or representatives. Notice of such breaches extends, without limitation, to breaches arising out of, or related to, the negotiation or performance of this Agreement by Graze Craze Franchising or concerning misrepresentations or any acts of misfeasance or nonfeasance. If Franchisee fails to give Graze Craze Franchising written notice within one year from the date of any such breach, then such breach shall be deemed to have been waived by Franchisee and, thereupon, Franchisee shall be permanently barred from commencing any action relating to such believed breach; provided that where the one-year limitation of time is prohibited or invalid by or under any applicable law, then and in that event no suit or action may be commenced or maintained unless commenced within the applicable statute of limitations.

**17.6 Legal Costs.** In any legal proceeding related to this Agreement, the non-prevailing party shall pay the prevailing party's attorney fees, costs, and other expenses of the legal proceeding. "Prevailing party" means the party, if any, which prevailed upon the central litigated issues and obtained substantial relief.

**17.7 Additional Remedies of Franchisor.**

(a) You recognize that the business franchised hereunder is intended to be one of a large number of businesses identified by the Trademarks in selling to the public the products and services associated with the Trademarks, and hence the failure on the part of a single franchisee to comply with the terms of its franchise agreement is likely to cause irreparable damage to Graze Craze Franchising, and damages at law would be an inadequate remedy. Therefore, You agree that in the event of a breach or threatened breach of any of the terms of the Agreement by You, Graze Craze Franchising shall be entitled to seek an injunction restraining such breach and/or decree of specific performance, without showing or proving any actual damage, together with recovery of reasonable attorneys' fees and costs incurred in obtaining said equitable relief. The foregoing equitable remedy shall be in addition to all remedies or rights that Graze Craze Franchising may otherwise have by virtue of any breach of this Agreement by You. Graze Craze Franchising shall be entitled to seek such relief without the posting of any bond or security, and if a bond shall nevertheless be required by a court of competent jurisdiction, the parties agree that the sum of ONE HUNDRED DOLLARS ($100.00) shall be a sufficient bond.

(b) Graze Craze Franchising shall also be able to seek injunctive relief to prohibit any act or omission by You or Your employees that constitutes a violation of any applicable law, is dishonest or misleading to Your customers or other businesses, or constitutes a danger to Your employees or customers or to the public or which may impair the goodwill associated with the Trademarks or to compel your compliance with trademark standards and requirements to protect the goodwill of the Trademarks; to compel you to compile and submit required reports to us; or to permit evaluations or audits authorized by this Agreement.

(c) You expressly consent and agree that Graze Craze Franchising may, in addition to any other available remedies, obtain an injunction to terminate or prevent the continuance of any existing default or violation, and/or to prevent the occurrence of any threatened default by You of this Agreement.

## ARTICLE 18. MISCELLANEOUS

**18.1 Relationship of the Parties.** The parties are independent contractors, and neither is the agent, partner, joint venturer, or employee of the other. Graze Craze Franchising is not a fiduciary of Franchisee. Graze Craze Franchising does not control or have the right to control Franchisee or its Business. Any required specifications and standards in this Agreement and in the System Standards exist to protect Graze Craze Franchising's interest in the System and the Marks, and the goodwill established in them, and not for the purpose of establishing any control, or duty to take control, over the Business. Graze Craze Franchising has no liability for Franchisee's obligations to any third party whatsoever.

**18.2 No Third-Party Beneficiaries.** This Agreement does not confer any rights or remedies upon any person or entity other than Franchisee, Graze Craze Franchising, and Graze Craze Franchising's affiliates.

**18.3 Entire Agreement.** This Agreement constitutes the entire agreement of the parties and supersedes all prior negotiations and representations. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made by Graze Craze Franchising in its Franchise Disclosure Document.

**18.4 Modification.** No modification or amendment of this Agreement will be effective unless it is in writing and signed by both parties. This provision does not limit Graze Craze Franchising's rights to modify the Manual or System Standards.

**18.5 Consent; Waiver.** No consent under this Agreement, and no waiver of satisfaction of a condition or nonperformance of an obligation under this Agreement will be effective unless it is in writing and signed by the party granting the consent or waiver. No waiver by a party of any right will affect the party's rights as to any subsequent exercise of that right or any other right. No delay, forbearance, or omission by a party to exercise any right will constitute a waiver of such right.

**18.6 Cumulative Remedies.** Rights and remedies under this Agreement are cumulative. No enforcement of a right or remedy precludes the enforcement of any other right or remedy.

**18.7 Severability.** The parties intend that: (i) if any provision of this Agreement is held by a court to be unenforceable, then that provision be modified to the minimum extent necessary to make it enforceable, unless that modification is not permitted by law, in which case that provision will be disregarded; and (ii) if an unenforceable provision is modified or disregarded, then the rest of this Agreement will remain in effect as written.

**18.8 Governing Law and Venue.** Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Section 1051 et seq.) or the Federal Arbitration Act, this Agreement and the franchise relationship will be governed by the laws of the state Florida. Any claims, controversies or disputes arising out of or related to this Agreement that are not subject to arbitration as provided above, will be brought exclusively in the Federal District Court for the Southern District of Florida or in the 15th Judicial Circuit in Palm Beach County, Florida. Graze Craze Franchising also has the right to file any such suit against Franchisee in the federal or state court where the Franchised Location is located. Each party to this Agreement irrevocably consents to the jurisdiction of such courts and waive all rights to challenge personal

jurisdiction and venue. The provisions of this Section 18.8 will survive the termination of this Agreement.

**18.9 Notices.** Any notice will be effective under this Agreement only if made in writing and delivered as set forth in this Section to: (i) if to Franchisee, addressed to Franchisee at the notice address set forth in the Summary Page; and (ii) if to Graze Craze Franchising, addressed to 2121 Vista Parkway, West Palm Beach, Florida 33411, Attention: General Counsel. Any party may designate a new address for notices by giving notice of the new address pursuant to this Section. Notices will be effective upon receipt (or first rejection) and must be: (1) delivered personally; (2) sent by registered or certified U.S. mail with return receipt requested; or (3) sent via overnight courier. Notwithstanding the foregoing, Graze Craze Franchising may amend the Manual, give binding notice of changes to System Standards, and deliver notices of default by electronic mail or other electronic communication.

**18.10 Joint and Several Liability.** If two or more individuals sign this Agreement as the "Franchisee", each will have joint and several liability.

**18.11 No Offer and Acceptance.** Delivery of a draft of this Agreement to Franchisee by Graze Craze Franchising does not constitute an offer. This Agreement shall not be effective unless and until it is executed by both Franchisee and Graze Craze Franchising.

**18.12. Our Reasonable Business Judgment.** Whenever we reserve discretion in a particular area or where we agree to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise reasonable business judgment in making our decision or exercising our rights. Our decisions or actions will be deemed to be the result of Reasonable Business Judgment, even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes our financial or other individual interest. Examples of items that will promote or benefit the System include, without limitation, enhancing the value of the Trademarks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing, or encouraging modernization and improving the competitive position of the System.

**18.13 Acknowledgements.**

(a) You acknowledge that Graze Craze Franchising, in giving advice to and assisting Franchisee in establishing the Business (including but without prejudice to the generality of the foregoing recommending equipment and materials, and the assessment of Franchisee's suitability) bases its advice and recommendations on experience actually obtained in practice and is not making or giving any representations, guarantees or warranties except that its advice is based upon such previous experience as it has and the degree of success or lack of success in its dealings on its own account and with its franchisees. Franchisee acknowledges that Franchisee has been advised by Graze Craze Franchising to discuss Franchisee's intention to enter into this Agreement with other franchisees of Graze Craze Franchising and Franchisee's business advisors and that Franchisee must decide on the basis of Franchisee's own judgment of what Franchisee has been told by Graze Craze Franchising or such other franchisees whether or not to

enter into this Agreement. Franchisee further acknowledges that Franchisee recognizes that the business venture contemplated by this Agreement involves business risks and that Franchisee's success will be affected by Franchisee's ability and commitment as an independent businessperson.

(b) Except where the context otherwise requires, each of the restrictions contained in this Agreement and in each Section and Paragraph shall be construed as independent of every other restriction and of every other provision of this Agreement, and the existence of any claim or course of action by Franchisee against Graze Craze Franchising whatsoever shall not constitute a defense to the enforcement by Graze Craze Franchising of said restrictions or of any of them.

(c) It is expressly agreed between the parties hereto that having regard to the recitals and other provisions of this Agreement, each of the restrictive covenants contained in this Agreement and in each Section and Paragraph is reasonably necessary for the protection of Graze Craze Franchising, Graze Craze Franchising's intellectual property rights and the other franchisees of Graze Craze Franchising and does not unreasonably interfere with the freedom of action by Franchisee. Franchisee acknowledges that Franchisee has been advised by Graze Craze Franchising to obtain independent legal advice before executing this Agreement, and that Franchisee is fully aware of its provisions and accept that they are fair and reasonable in all the circumstances known to or in the contemplation of Graze Craze Franchising and Franchisee as of the date of this Agreement. In particular, Franchisee acknowledges that the provisions of this Agreement relating to the limits on Franchisee's right to make deductions or set offs (to which Franchisee may claim to be entitled) against payment of Royalty Fees are fair and reasonable. Franchisee recognizes that Franchisee's failure or refusal to make payments of such fees or contributions because of Franchisee's dissatisfaction with Graze Craze Franchising's performance may result in Your continued involvement in the Graze Craze Franchising System being subsidized by other franchisees who make payment of such fees and contributions. Franchisee also recognize that Franchisee's failure to pay such fees and contributions may adversely and materially affect the provision of services to franchisees who are members of the Graze Craze Franchising Network. You accept that the remedies available to Franchisee are not affected by the set-off or deduction provisions of this Agreement and the remedies are sufficient for Franchisee's purposes including as they do a right to sue for damages.

(d) You warrant that, except pursuant to an agreement with Graze Craze Franchising entered into prior to the execution of this Agreement, Franchisee had no direct knowledge of the Graze Craze Franchising Business or how to operate a business similar to the Graze Craze Franchising Business or how to conduct the Graze Craze Franchising Business or of Graze Craze Franchising's trade secrets, know-how, methods or the System.

(e). In order to enable Graze Craze Franchising to ascertain whether Franchisee is complying with the obligations imposed upon Franchisee under this Agreement, and in order to enable Graze Craze Franchising to enforce rights given to it by this

Agreement, Graze Craze Franchising may, at any reasonable time, enter the Location without Franchisee's consent.

(f) YOU SPECIFICALLY ACKNOWLEDGE THAT THERE IS NO GRAZE CRAZE FRANCHISING BUSINESS THAT MAY BE CONSIDERED TO BE A "TYPICAL" OR "AVERAGE" BUSINESS. OTHER THAN AS STATED IN GRAZE CRAZE FRANCHISING'S FRANCHISE DISCLOSURE DOCUMENT, FRANCHISOR MAKES NO REPRESENTATIONS OR GUARANTEES AS TO NET/GROSS SALES, PROFITS, COSTS OR EARNINGS YOU CAN EXPECT. YOU ARE NOT ENTITLED TO ANY COMPENSATION OR REIMBURSEMENT FOR LOSS OF PROSPECTIVE PROFITS, ANTICIPATED SALES, OR OTHER LOSSES OCCASIONED BY CANCELLATION OR TERMINATION. NO PERSON IS AUTHORIZED TO GIVE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN OR INCORPORATED IN THIS FRANCHISE AGREEMENT AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION SHOULD NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED.

(g) Franchisee acknowledges that Franchisee has received from Graze Craze Franchising a Franchise Disclosure Document with all exhibits and supplements thereto, at least 14 days prior to: (i) the execution of this Agreement and every other agreement imposing a binding obligation on Franchisee in connection with the sale of a franchise; and (ii) any payment by Franchisee of any consideration in connection with the sale, or proposed sale, of a franchise.

(h) You represent to Graze Craze Franchising that You (i) are not violating any agreement (including any confidentiality or non-competition covenant) by entering into or performing under this Agreement, (ii) are not a direct or indirect owner of any competitor, and (iii) are not listed or "blocked" in connection with, and are not in violation under, any anti-terrorism law, regulation or executive order.

## ARTICLE 19. CERTIFICATION OF FRANCHISOR'S COMPLIANCE

By signing this Agreement, Franchisee acknowledges the following:

(1) Franchisee has been advised by Graze Craze Franchising to discuss Franchisee's intention to enter into this Agreement with other franchisees, business advisors, and legal advisors.

(2) The exclusive rights of Graze Craze Franchising in and to the System as presently developed or as it may be improved and expanded during the term of this Agreement, including practices, know-how, trade secrets, recipes, designs, marks, logos, décor, marketing, signs, and slogans presently in use and to be used hereafter.

(3) The importance of Graze Craze Franchising's high standards of quality and service and the necessity of operating the Business franchised hereunder in strict conformity with Graze Craze Franchising's standards and specifications.

(4) Franchisee understands that this Agreement contains the entire agreement between Graze Craze Franchising and Franchisee concerning the Graze Craze® franchise, which means that any oral or written statements not set out in this Agreement will not be binding.

***Signatures on following page.***

THE PARTIES HERETO acknowledge that they have read and fully understand all of the above and foregoing. By signing below, each party agrees to abide by all of the terms and conditions contained in this Agreement.

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

(*Check if applicable*) At the same time as the parties execute this Agreement, they are also executing a Rider to Franchise Agreement pursuant to:

_____ California
_____ Illinois
_____ Indiana
_____ Maryland
_____ Minnesota
_____ New York
_____ North Dakota
_____ Rhode Island
_____ Virginia
_____ Washington
_____ Other

## SCHEDULE A TO FRANCHISE AGREEMENT

## GRAZE CRAZE EQUIPMENT PACKAGE 2023-24

**REACH-IN REFRIGERATOR**

The upright two section reach-in refrigerator is used to store large quantities of food at a safe holding temperature. Storing food at the proper temperature can help prevent your ingredients from spoiling too quickly, saving you money on wasted products. A dependable motor and a unique air distribution system will ensure a steady constant temperature. Stainless-steel exterior and interior resists random damage and makes this unit easy to clean. Also included are adjustable epoxy-coated wire shelves for easy organization.

**REACH-IN FREEZER**

This reach-in freezer is engineered to hold your ingredients for a longer period of time, in a safe environment. Designed with a stainless-steel interior and exterior, the unit features a sleek appearance and the ability to withstand busy, heavy use in commercial kitchens. For ultimate storage flexibility, this unit comes with 3 adjustable, epoxy coated shelves.

**FOOD PROCESSOR**

This Food Processor is designed for light-duty applications to chop, cut, mix, blend, knead, and puree different food items. This equipment will cut down on food preparation time by giving you a lot of prep options, and by doing the work in a fraction of the time.

**CONVECTION OVEN & TABLE**

This convection oven offers a perfect opportunity to bake tasty breads, muffins, pastries, and more. Delicious baked pastries and breads are a necessary addition to a variety of charcuterie boards on the Graze Craze menu. This convection oven has a custom baffle fan and diffuser plate to ensure evenly baked products. The convection oven will sit perfectly on the stainless steel worktable.

**SHELVING**

A variety of different size stand-alone wire coated kitchen shelving is provided to maximize your storage of all small wares, non-perishable food items, pans and other kitchen items.

**STAINLESS-STEEL WORK-TABLES**

A variety of sized, Stainless-Steel Worktables are provided for food preparations and to hold commonly used kitchen accessories.

**SLICER**

Having a slicer in your Graze Craze will allow you to save time and money by slicing large portions of meat, cheese, and vegetables on site. This medium-duty slicer features a compact design that is portable for catering events. The adjustable knob allows you to achieve precise and consistent slices each time and a built-in sharpener reduces prep time. Cleaning is easy with the removable carriage and aluminum body.

**SMALL WARES**

A variety of necessary utensils, storage containers, pans, bowls, and many other kitchen tools are supplied for an easy start-up of your store. The Small Wares consist of measuring cups, peelers, knives, spatulas, food thermometers and many more items that are used throughout your store and kitchen.

**SANITATION SUPPLIES**

An assortment of trash cans, cleaning supplies, a mop bucket and mop are included for use in your kitchen. Also included are small signs located throughout the kitchen to keep it functioning and safe.

**FRONT COUNTER**

A custom designed and manufactured front counter will have the Graze Craze logo on a clear acrylic with standoffs and vinyl decal on the front facade. The countertop will have ample room for your Point-of-Sale terminal and your day-to-day interaction with your multiple customers. The counter has plenty of storage space for your printer, extra paper, handout menus and to-go supplies. There will also be an ADA-height counter for people with a disability, where services and money can be exchanged easily.

**POINT-OF-SALE (POS) INSTALLATION**

A Point-of-Sale (POS) cash drawer and printer will be provided for your front counter area to allow walk-in orders to be taken with ease. Also provided are multiple services to ensure a flawless install of your POS system. These services include staging equipment, installation, programming and most importantly training.

**LOW DISPLAY TABLE**

A beautiful hand-crafted display table to complete your lobby look. This will display a variety of boards, boxes, and Graze Craze handout menus and to go supplies.

**GRAZE CRAZE UNIFORMS**

Custom designed Graze Craze T-shirts and embroidered hats will be provided for your employees to wear while servicing customers in your store and delivering catering orders. Also provided will be Graze Craze embroidered polo shirts for your manager.

**LOBBY REFRIGERATOR**

This Lobby Refrigerator has a contemporary design that combines efficiency and durability to create an eye-catching display at your establishment. This grab and go refrigerator is perfect for adding impulse buys to your shop and extending the amount of chilled goods you offer to your customers.

**TV & TV MOUNT**

This TV will mount on your wall and will allow your location to list the variety of products and services along with their price, and clearly identify what your business has to offer. This TV will improve the flow throughout your business as customers know exactly what they want upon arrival at your point-of-purchase. This high-quality, stunning 4K display and sleek design adds professionalism to your location and shows that you take pride in your business.

## ACCOUNTING SOFTWARE

The Accounting Software can be used to record monthly sales & expenses, handle payroll, generate business reports and customer mailing lists. The entire package has been designed to help your business run smoothly and efficiently. This software integrates seamlessly with the Cloud Based Point of Sale Station. A one-year subscription is provided with the business startup; software will be required to be renewed by the franchisee after year one.

## GRAND OPENING MARKETING

A Grand Opening is very important for introducing your Graze Craze to your local community. This will create a buzz to engage potential customers in your area. Prior to the opening of your location an email campaign will be launched. This will get potential customers invitations to the Grand Opening event. A Public Relations company will lay the groundwork to share information about your Graze Craze® location through local media outlets, key influencers, and bloggers.

## MARKETING LAUNCH MATERIALS

We will provide you with a variety of printed marketing materials that can be used to hand out and promote the opening of your business. In addition to the standard stationary package of business cards, thank you cards, stickers and marketing flyers you will receive a variety of other marketing materials which may include items such as Be My Guest cards, Menu postcards, Catering Menus and Take Out Menus and flyers.

## ONLINE MARKETING LAUNCH

When most people begin to look for a new place to eat, they begin their search online. We put a great deal of effort into building your online presence and executing an aggressive advertising campaign for new customers to come in your door. It starts by building your local website page off the main site. We will establish your local Facebook page to allow for local engagement, while we manage a brand Facebook and Instagram page. Content is provided for your local social media, starting before your doors even open so we can get the community excited in advance and drive traffic to both your initial and grand opening. Continuing to work with you at a local level after your Grand Opening, it is important to grow the number of reviews customers leave about your business on Google and Facebook. Great reviews are critical to the success of your business as customers tell other potential or exiting customers about the great food, hospitality, and overall experience they had at Graze Craze.

## CATERING/TRADESHOW PACKAGE

This package includes a 10 X 10 tent, tabletop cover and feather flag, all Graze Craze branded and aluminum bakers rack for all your food samples. This is designed to captivate your audience's taste buds and elevate your event to the next level of excellence.

## CHARCUTERIE PRESENTATION ESSENTIALS

This will include wooden utensils such as knives, cocktail forks and mini skewers. Also included is an initial supply of bags, plates, cups, trays, containers and mini cutting boards to transport and protect the ingredients. This will enhance the charcuterie board presentation, making it easier and more enjoyable for customers to create an impressive spread for any occasion.

## VEHICLE MAGNETS

Vehicle Magnetics with the Graze Craze logo and your store's contact information is displayed on a car or truck of your choice. This will turn your vehicle into a rolling advertisement, ensuring your brand message is prominently displayed and reaches a diverse audience wherever you travel.

## WINDOW GRAPHICS

These full color custom window graphics will have the hours of operations and the Graze Craze logo displayed on the front windows of your store. These vibrant and captivating displays transform your storefront into an engaging visual masterpiece, grabbing attention and inviting foot traffic into your establishment.

## EXTERIOR SIGNAGE**

The Graze Craze sign will proudly be displayed on the exterior of your location. The sign is constructed of the finest materials and will serve as a tremendous advertisement for your business. (Signage is based off a budgeted amount. If something larger is needed, the franchisee is responsible for the difference)

**New Equipment Package Total: $79,584***
**Plus local tax**

*Pricing is based off a standard layout consisting of 1,000 square foot of usable space. Larger locations may require additional equipment options. Inside cabling and wiring not included.

**All interior and exterior signs may be subject to approval by local municipal authorities and landlords. If changes are required, Graze Craze Franchising, LLC. will order signs to conform to landlord and municipal authority requirements.

Because we are constantly improving our products and equipment, we reserve the right to revise, change and/or substitute product features, dimensions, specifications, and designs without notice to improve our franchises' capabilities and quality. Prices are subject to change without notice.

Due to the customization of the above-mentioned equipment, estimated time of delivery is 10 weeks from order placed.

**SCHEDULE B TO FRANCHISE AGREEMENT**

**LOCATION ACCEPTANCE LETTER**

To: _____

This Location Acceptance Letter is issued by Graze Craze Franchising, LLC for your Graze Craze® franchise in accordance with Section 6.1 of the Franchise Agreement.

1. The Location of the Business is:

_____

2. The Territory of the Business is:

_____

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

## SCHEDULE C TO FRANCHISE AGREEMENT

## ELECTRONIC FUNDS TRANSFER
## AUTHORIZATION TO HONOR CHARGES DRAWN BY AND PAYABLE TO GRAZE CRAZE FRANCHISING, LLC ("PAYEE")

The undersigned Depositor hereby authorizes and requests the Depository designated below to honor and to charge to the following designated account, checks, and electronic debits (collectively, "debits") drawn on such account which are payable to the above-named Payee. It is agreed that Depository's rights with respect to each such debit shall be the same as if it were a check drawn and signed by Depositor. It is further agreed that if any such debt is not honored, whether with or without cause and whether intentionally or inadvertently, Depository shall be under no liability whatsoever. This authorization shall continue in force until Depository and Payee have received at least thirty (30) days written notification from Depositor of its termination.

The Depositor agrees with respect to any action taken pursuant to the above authorization:

(1) To indemnify the Depository and hold it harmless from any loss it may suffer resulting from or in connection with any debit, including, without limitation, execution and issuance of any check, draft, or order, whether or not genuine, purporting to be authorized or executed by the Payee and received by the Depository in the regular course of business for the purpose of payment, including any costs or expenses reasonably incurred in connection therewith.

(2) To indemnify Payee and the Depository for any loss arising in the event that any such debit shall be dishonored, whether with or without cause and whether intentionally or inadvertently.

(3) To defend at Depositor's own cost and expense any action which might be brought by a depositor or any other persons because of any actions taken by the Depository or Payee pursuant to the foregoing request and authorization, or in any manner arising by reason of the Depository's or Payee's participation therein.

Name of Depository:_____

Name of Depositor:_____

Designated Bank Acct.:_____
(Please attach <u>one voided check</u> for the above account)

Business Location:_____

Business #:_____

Address:_____

Phone #:_____

Fax #:_____

_____
Name of Franchisee/Depositor (please print)

By:_____
Signature and Title of Authorized Representative

Date:_____

## SCHEDULE D TO FRANCHISE AGREEMENT

## ASSIGNMENT OF TELEPHONE NUMBERS, DOMAIN NAMES, AND EMAIL ADDRESSES

Date: _____

This assignment shall be effective as of the date of termination of the Franchise Agreement entered into between Graze Craze Franchising, LLC ("Graze Craze") and _____ ("Franchisee"). Franchisee hereby irrevocably assigns to Graze Craze or its designee the telephone number or numbers and listings, domain names and email addresses issued to Franchisee with respect to each and all of Franchisee's **Graze Craze** businesses. Franchisee agrees to pay all amounts, whether due and payable or not, that any domain name registry ("Registry") or internet service provider ("ISP") may require in connection with such transfer. This assignment is for collateral purposes only and Graze Craze shall have no liability or obligation of any kind whatsoever arising from this assignment, unless Graze Craze desires to take possession and control over the telephone numbers, domain names and email addresses.

Graze Craze is hereby authorized and empowered upon termination of the Franchise Agreement that, and without any further notice to Franchisee, to notify the telephone company, as well as any other company that publishes telephone directories ("telephone companies"), the Registry and the ISP to transfer the telephone numbers, domain names and email addresses to Graze Craze or such other person or firm as is designated by Graze Craze. In furtherance thereof, Franchisee hereby grants an irrevocable power of attorney to Graze Craze and appoints Graze Craze as its attorney-in-fact to take any necessary actions to assign the telephone numbers, domain names and email addresses including but not limited to, executing any forms that the telephone companies, the Registry or the ISP may require to effectuate the assignment. This assignment is also for the benefit of the telephone companies, the Registry and the ISP and the telephone companies, the Registry and the ISP may accept this assignment and Graze Craze's instructions as conclusive evidence of Graze Craze's rights in the telephone numbers, domain names and email addresses and Graze Craze's authority to direct the amendment, termination or transfer of the telephone numbers, domain names and email addresses as if they had originally been issued to Graze Craze. In addition, Franchisee agrees to hold the telephone companies, the Registry, and the ISP harmless from any and all claims against them arising out of any actions or instructions by Graze Craze regarding the telephone numbers, domain names and email addresses.

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## SCHEDULE E TO FRANCHISE AGREEMENT

## OWNERS AGREEMENT

As a condition to the execution by Graze Craze Franchising, LLC ("we" or "us"), of a Franchise Agreement with _____ ("Franchisee"), each of the undersigned individuals ("Owners"), who constitute all of the owners of a direct or indirect beneficial interest in Franchisee, as well as their respective spouses , covenant and agree to be bound by this Owners Agreement ("Owners Agreement").

**1. Acknowledgments.**

1.1 Franchise Agreement. Franchisee entered into a franchise agreement with us effective as of _____ ("Franchise Agreement"). Capitalized words not defined in this Owners Agreement will have the same meanings ascribed to them in the Franchise Agreement.

1.2 Role of Owners. Owners are the beneficial owners or spouses of the beneficial owners of all of the equity interest, membership interest, or other equity controlling interest in Franchisee and acknowledge there are benefits received and to be received by each Owner, jointly and severally, and for themselves, their heirs, legal representatives and assigns. Franchisee's obligations under the Franchise Agreement, including the confidentiality and non-compete obligations, would be of little value to us if Franchisee's owners were not bound by the same requirements. Under the provisions of the Franchise Agreement, Owners are required to enter into this Owners Agreement as a condition to our entering into the Franchise Agreement with Franchisee. Owners will be jointly and severally liable for any breach of this Owners Agreement.

**2. Non-Disclosure and Protection of Confidential Information.**

2.1 Confidentiality. Under the Franchise Agreement, we will provide Franchisee with specialized training, proprietary trade secrets, and other Confidential Information relating to the establishment and operation of a franchised business. The provisions of the Franchise Agreement governing Franchisee's non-disclosure obligations relating to our Confidential Information are hereby incorporated into this Owners Agreement by reference, and Owners agree to comply with each obligation as though fully set forth in this Owners Agreement as a direct and primary obligation of Owners. Further, we may seek the same remedies against Owners under this Owners Agreement as we may seek against Franchisee under the Franchise Agreement. Any and all information, knowledge, know-how, techniques, and other data, which we designate as confidential, will also be deemed Confidential Information for purposes of this Owners Agreement.

2.2 Immediate Family Members. Owners acknowledge that they could circumvent the purpose of Section 2.1 by disclosing Confidential Information to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild). Owners also acknowledge that it would be difficult for us to prove whether Owners disclosed the Confidential Information to family members. Therefore, each Owner agrees that he or she will be presumed to have violated the terms of Section 2.1 if any member of his or her immediate family uses or discloses the Confidential Information or engages in any activities that would constitute a violation of the covenants listed in Section 3, below, if performed by Owners. However, Owners may rebut this presumption by furnishing evidence conclusively showing that Owners did not disclose the Confidential Information to the family member.

## 3. Covenant Not To Compete and To Not Solicit.

3.1 Non-Competition and Non-Solicitation During and After the Term of the Franchise Agreement. Owners acknowledge that as a participant in our system, they will receive proprietary and confidential information and materials, trade secrets, and the unique methods, procedures and techniques which we have developed. The provisions of the Franchise Agreement governing Franchisee's restrictions on competition and solicitation both during the term of the Franchise Agreement and following the expiration or termination of the Franchise Agreement are hereby incorporated into this Owners Agreement by reference, and Owners agree to comply with and perform each such covenant as though fully set forth in this Owners Agreement as a direct and primary obligation of Owners. Further, we may seek the same remedies against Owners under this Owners Agreement as we may seek against Franchisee under the Franchise Agreement.

3.2 Construction of Covenants. The parties agree that each such covenant related to non-competition and non-solicitation will be construed as independent of any other covenant or provision of this Owners Agreement. If all or any portion of a covenant referenced in this Section 3 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a final decision to which we are a party, Owners agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 3.

3.3 Our Right to Reduce Scope of Covenants. Additionally, we have the right, in our sole discretion, to unilaterally reduce the scope of all or part of any covenant referenced in this Section 3 of this Owners Agreement, without Owners' consent (before or after any dispute arises), effective when we give Owners written notice of this reduction. Owners agree to comply with any covenant as so modified.

## 4. Guarantee.

4.1 Payment. Owners will pay us (or cause us to be paid) all monies payable by Franchisee under the Franchise Agreement on the dates and in the manner required for payment in the relevant agreement.

4.2 Performance. Owners unconditionally guarantee full performance and discharge by Franchisee of all of Franchisee's obligations under the Franchise Agreement on the date and times and in the manner required in the relevant agreement.

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

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

4.5 Waiver of Notice. Without affecting Owners' obligations under this Section 4, we can extend, modify, or release any of Franchisee's indebtedness or obligation, or settle, adjust, or compromise any claims against Franchisee, all without notice to the Owners. Owners waive notice of amendment of the Franchise Agreement and notice of demand for payment or performance by Franchisee.

4.6 Effect of Owner's Death. Upon the death of an Owner, the estate of such Owner will be bound by the obligations in this Section 4, but only for defaults and obligations hereunder existing at the time of death; and the obligations of any other Owners will continue in full force and effect.

## 5. Transfers.

Owners acknowledge and agree that we have granted the Franchise Agreement to Franchisee in reliance on Owners' business experience, skill, financial resources and personal character. Accordingly, Owners agree not to sell, encumber, assign, transfer, convey, pledge, merge or give away any direct or indirect interest in this Franchisee, unless Owners first comply with the sections in the Franchise Agreement regarding transfers. Owners acknowledge and agree that any attempted transfer of an interest in Franchisee requiring our consent under the Franchise Agreement for which our express written consent is not first obtained will be a material breach of this Owners Agreement and the Franchise Agreement.

## 6. Notices.

6.1 Method of Notice. Any notices given under this Owners Agreement shall be in writing and delivered in accordance with the provisions of the Franchise Agreement.

6.2 Notice Addresses. Our current address for all communications under this Owners Agreement is:

Graze Craze Franchising, LLC
2121 Vista Parkway
West Palm Beach, FL 33411

The current address of each Owner for all communications under this Owners Agreement is designated on the Statement of Ownership, attached to this Owners Agreement as Attachment A. Any party may designate a new address for notices by giving written notice to the other parties of the new address according to the method set forth in the Franchise Agreement.

## 7. Enforcement of This Owners Agreement.

7.1 Dispute Resolution. Any claim or dispute arising out of or relating to this Owners Agreement shall be subject to the dispute resolution provisions of the Franchise Agreement. This agreement to engage in such dispute resolution process shall survive the termination or expiration of this Owners Agreement.

7.2 Choice of Law; Jurisdiction and Venue. This Owners Agreement and any claim or controversy arising out of, or relating to, any of the rights or obligations under this Owners Agreement, and any other claim or controversy between the parties, will be governed by the choice of law and jurisdiction and venue provisions of the Franchise Agreement.

7.3 Provisional Remedies. We have the right to seek from an appropriate court any provisional remedies, including temporary restraining orders or preliminary injunctions to enforce Owners' obligations under this Owners Agreement. Owners acknowledge and agree that there is no

adequate remedy at law for Owners' failure to fully comply with the requirements of this Owners Agreement. Owners further acknowledge and agree that, in the event of any noncompliance, we will be entitled to temporary, preliminary, and permanent injunctions and all other equitable relief that any court with jurisdiction may deem just and proper. If injunctive relief is granted, Owners' only remedy will be the court's dissolution of the injunctive relief. If the injunctive relief was wrongfully issued, Owners expressly waive all claims for damages they incurred as a result of the wrongful issuance.

**8. Miscellaneous.**

8.1 No Other Agreements. This Owners Agreement constitutes the entire, full and complete agreement between the parties, and supersedes any earlier or contemporaneous negotiations, discussions, understandings or agreements. There are no representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Owners Agreement, other than those in this Owners Agreement. No other obligations, restrictions or duties that contradict or are inconsistent with the express terms of this Owners Agreement may be implied into this Owners Agreement. Except for unilateral reduction of the scope of the covenants permitted in Section 3.3 (or as otherwise expressly provided in this Owners Agreement), no amendment, change or variance from this Owners Agreement will be binding on either party unless it is mutually agreed to by the parties and executed in writing. Time is of the essence.

8.2 Severability. Each provision of this Owners Agreement, and any portions thereof, will be considered severable. If any provision of this Owners Agreement or the application of any provision to any person, property or circumstances is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Owners Agreement will be unaffected and will still remain in full force and effect. The parties agree that the provision found to be invalid or unenforceable will be modified to the extent necessary to make it valid and enforceable, consistent as much as possible with the original intent of the parties (i.e. to provide maximum protection for us and to effectuate the Owners' obligations under the Franchise Agreement), and the parties agree to be bound by the modified provisions.

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

8.4 Construction. Any term defined in the Franchise Agreement which is not defined in this Owners Agreement will be ascribed the meaning given to it in the Franchise Agreement. The language of this Owners Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Owners Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as you, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation

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

8.6 Successors. References to "Franchisor" or "the undersigned," or "you" include the respective parties' heirs, successors, assigns or transferees.

8.7 Nonwaiver. Our failure to insist upon strict compliance with any provision of this Owners Agreement shall not be a waiver of our right to do so. Delay or omission by us respecting any

breach or default shall not affect our rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Owners Agreement shall be cumulative.

8.8 No Personal Liability. You agree that fulfillment of any and all of our obligations written in the Franchise Agreement or this Owners Agreement, or based on any oral communications which may be ruled to be binding in a court of law, shall be our sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with us shall be personally liable to you for any reason.

8.9 Owners Agreement Controls. In the event of any discrepancy between this Owners Agreement and the Franchise Agreement, this Owners Agreement shall control.

IN WITNESS WHEREOF, the parties have entered into this Owners Agreement as of the effective date of the Franchise Agreement.

**OWNERS:**

_____
[Insert Name of Owner]

_____
[Insert Name of Owner]

_____
[Insert Name of Owner]

_____
[Insert Name of Owner]

Graze Craze Franchising, LLC hereby accepts the agreements of the Owner(s) hereunder.

**GRAZE CRAZE FRANCHISING, LLC**

By:_____

Title: _____

## ATTACHMENT A

## STATEMENT OF OWNERSHIP

**Franchisee:** _____

**Trade Name** (if different from above): _____

**Form of Ownership**
**(Check One)**

**____ Partnership ____ Corporation ____ Limited Liability Company**

If a **Partnership**, provide name and address of each partner showing percentage owned, whether active in management, and indicate the state in which the partnership was formed.

If a **Corporation**, give the state and date of incorporation, the names and addresses of each officer and director, and list the names and addresses of every shareholder showing what percentage of stock is owned by each.

If a **Limited Liability Company**, give the state and date of formation, the name of the manager(s), and list the names and addresses of every member and the percentage of membership interest held by each member.

State and Date of Formation: _____

**Management (managers, officers, board of directors, etc.):**

| Name | Title |
|---|---|
| | |
| | |
| | |
| | |

**Members, Stockholders, Partners:**

| Name | Address | Percentage of Ownership |
|---|---|---|
| | | |

| | | |
|---|---|---|
| | | |
| | | |
| | | |

Use additional sheets if necessary. Any and all changes to the above information must be reported to Graze Craze Franchising in writing.

**FRANCHISEE:**

_____

By: _____

Title: _____

## FRANCHISEE'S RATIFICATION

In consideration of the execution of the foregoing Franchise Agreement with GRAZE CRAZE FRANCHISING, LLC ("**FRANCHISOR"**), the Franchisee hereby acknowledges that:

I have read and understood the foregoing Franchise Agreement and understand that if I do not understand any terms of the Franchise Agreement, or if I do not understand any terms of the Franchise Disclosure Document, I have the right to have my own attorney explain any terms of this Agreement to me.

*FRANCHISOR ENCOURAGES YOU TO SEEK THE ADVICE OF ANY ATTORNEY PRIOR TO SIGNING THE FRANCHISE AGREEMENT.*

I understand that although FRANCHISOR will provide assistance and advice, as outlined in the Franchise Agreement, FRANCHISOR cannot guarantee my success as a Graze Craze® Franchisee, and my earnings as a Graze Craze® Franchisee will be primarily dependent upon MY INDIVIDUAL EFFORTS in operating my Graze Craze® Store.

I acknowledge that neither FRANCHISOR nor any of its directors, officers, agents, or employees have made any claims or representations whatsoever regarding potential revenues, earnings, or profits, that a Franchisee will achieve as the owner of a Graze Craze® Store. I represent that I have entered into the Franchise Agreement without relying upon any claim or representation not contained in the Disclosure Document, and to do so would be unreasonable. I understand that FRANCHISOR is relying upon my representations in making its decision to grant the Franchise.

While FRANCHISOR has offered assistance, I UNDERSTAND THAT I AM ASSUMING FULL RESPONSIBILITY FOR, AND HAVE HAD THE FINAL ULTIMATE APPROVAL OF, THE SITE SELECTED AND THE LEASE EXECUTED FOR THAT SITE. I further understand that I have the right to have my own attorney review the Lease and explain to me any provisions of the Lease.

"All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

Executed this _____ day of _____, 20___.

_____
Franchisee

_____
Franchisee

# EXHIBIT D

# FORM OF GENERAL RELEASE

# GENERAL RELEASE AGREEMENT

This General Release Agreement (this "Agreement") is executed by and between _____, whose business is located at _____ ("Franchisee") and Graze Craze Franchising, LLC, a Florida limited liability company ("Franchisor").

*INTRODUCTION*

A. The Franchisor and Franchisee entered into a Franchise Agreement (the "Franchise Agreement") dated _____, pursuant to which the Franchisor granted the Franchisee a franchise or license (the "Franchise") to operate a franchise business (the "Franchise Business").

B. The parties desire to terminate the Franchise Agreement on the terms and conditions set forth in this Agreement.

C. This Agreement has been supported by full and adequate consideration, receipt of which is hereby acknowledged by both Franchisee and Franchisor.

The parties agree as follows:

1. **Termination of Franchise Agreement and Related Agreements.** The parties agree that, subject to Section 3 hereof and the terms and conditions set forth in Schedule A attached hereto, the Franchise Agreement and all obligations of Franchisee and Franchisor under or arising from the Franchise Agreement are hereby terminated.

2. **Mutual General Releases.** Subject to Section 3 hereof, Franchisee, for itself and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns, does hereby release and forever discharge the Franchisor and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns from all causes of action, suits, debts, covenants, agreements, damages, judgments, claims and demands whatsoever, in law or equity, which Franchisee ever had, now has, or hereinafter can, shall or may have from the beginning of the world to the date of this Agreement, for, upon, or by reason of any matter, cause or thing whatsoever, including, without limitation, arising out of or in connection with, directly or indirectly, the Franchise Agreement, the Franchisor's offer, sale or negotiation of the Franchise, the relationship of the parties arising therefrom, or the Franchisor's conduct in obtaining and entering into agreements.

Subject to Section 3 hereof, Franchisor, for itself and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns, does hereby release and forever discharge Franchisee and its officers, directors, stockholders, agents, affiliates, employees, representatives, successors and assigns from all causes of action, suits, debts, covenants, agreements, damages, judgments, claims and demands whatsoever, in law or equity, which Franchisor ever had, now has, or hereinafter can, shall or may have from the beginning of the world to the date of this Agreement, for, upon, or by reason of any matter, cause or thing whatsoever, including, without limitation, arising out of or in connection with, directly or indirectly, the Franchise Agreement.

The General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

3. **Post-Term Covenants; Special Stipulation.** The termination and release provided in this Agreement shall have no effect on those obligations of Franchisee (and its owners and guarantors, if any) arising out of the Franchise Agreement or any other agreement which concern the payment of any accrued but unpaid amounts owed to Franchisor (whether known or unknown), or which otherwise expressly or by their nature survive the termination of the Franchise Agreement, including, without limitation, obligations pertaining to Franchisee's indemnification obligations, non-disclosure of Franchisor's confidential information and non-competition with Franchisor. In addition, all obligations of the parties, if any, in the Franchise Agreement pertaining to dispute resolution and jurisdiction and venue for dispute resolution, shall apply with equal force to the terms and conditions of this Agreement, as if set forth herein. Such obligations shall continue in full force and effect in accordance with their terms subsequent to termination of the Franchise Agreement, and until they are satisfied or by their nature expire. Franchisee acknowledges and agrees it has no right, title, or interest in and to the trademarks associated with Franchisor's franchise system, including, without limitation, "Graze Craze®," and any colorable imitation thereof. The Franchisee represents it has returned (or turned over) all intellectual property associated with the Franchise Business and Franchisor's franchise system to Franchisor (or a Successor Franchisee, if applicable) which is acknowledged to belong exclusively to Franchisor including, but not limited to, all materials containing confidential information, operations manuals, customer lists, customer databases, customer records, customer files and any materials which display the trademarks associated with the Franchise system. Franchisee agrees to return and turn over to Franchisor all digital assets, including, but not limited to, all digitally-stored content (such as images, photos, videos and text files), whether stored locally at the business or accessible via the internet, the cloud, or another digital storage device (such as a USB drive or zip drive) or stored with a third-party digital-storage provider (such as OneDrive or Dropbox); and all user names and passwords for any and all email accounts, social networking websites (such as Facebook, Twitter, LinkedIn, Google+, YouTube, Pinterest, Instagram, Tumblr, Flickr, Reddit, Snapchat, and WhatsApp), blogs, review websites (such as Yelp or Angie's List), and any other online communities where the Franchise Business created or shared online content, or held itself out as speaking for or representing the Franchise Business. Franchisee acknowledges and agrees it has no right, title, or interest in and to the intellectual property associated with the Franchise Business or the Franchise system and no right to retain copies, disclose or make further use of such intellectual property, except with regard to customer records for tax purposes.

4. **Confidentiality.** It is acknowledged by Franchisee that the terms of this Agreement are in all respects confidential in nature, and that any disclosure or use of the same by Franchisee may cause serious harm or damage to Franchisor, and its owners and officers. Therefore, Franchisee agrees, either directly or indirectly by agent, employee, or representative, not to disclose the termination, this Agreement or the information contained herein, either in whole or in part, to any third party, except as may be required by law.

5. **Non-Disparagement.** The parties agree that at no time will they make any derogatory statements about or otherwise disparage, defame, impugn, or damage the reputation of integrity of the others, provided that nothing in this paragraph will preclude any party from

providing truthful information in response to compulsory legal process. The parties further agree not to, and to use their best efforts to cause any of the parties' agents, employees or affiliates not to, disparage or otherwise speak or write negatively, directly or indirectly, of the parties' brands, systems, or any other service-marked or trademarked concept of the parties or the parties' affiliates, or which would subject such brands, systems or concepts to ridicule, scandal, reproach, scorn, or indignity or which would negatively impact the goodwill of the parties or their brands, systems or service-marked or trademarked concepts.

6. **Binding Effect.** All terms and provisions of this Agreement, whether so expressed or not, shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective legal representatives, heirs, successors and permitted assigns.

7. **Interpretation.** Each of the parties acknowledge that they have been or have had the opportunity to have been represented by their own counsel throughout the negotiations and at the execution of this Agreement and all of the other documents executed incidental hereto, if any, and, therefore, the parties agree that none of the provisions of this Agreement or any of the other documents should be construed against any party more strictly than against the other.

8. **Entire Agreement.** This Agreement, including any Schedules attached hereto (which are considered a part of this Agreement), represent the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersede all other negotiations, understandings, and representations if any made by and between the parties.

9. **Governing Law.** Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.), this Agreement and all transactions contemplated by this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Florida without regard to principles of conflicts of laws.

10. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Confirmation of execution by electronic delivery shall be binding upon any party so confirming on the date of receipt.

11. **Effectiveness of Agreement.** This Agreement shall not be effective until it has been signed by Franchisee and Franchisor and delivered fully executed to Franchisee and Franchisor.

***Signatures on following page.***

**THE UNDERSIGNED** have read, fully understand, and, by executing below, agree to the terms and conditions of this Agreement.

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## SCHEDULE A TO GENERAL RELEASE AGREEMENT

## ADDITIONAL TERMS AND CONDITIONS FOR TRANSFER AND ASSUMPTION OF FRANCHISE

Franchisee desires to transfer its rights to operate its Graze Craze® business operated under the Franchise Agreement (the "Graze Craze Business") to a successor franchisee, _____ ("Successor Franchisee") desires to continue operating such Graze Craze Business pursuant to a Successor Franchise Agreement with Franchisor. The terms and conditions of this Schedule "A" supplement the terms and conditions of the foregoing General Release Agreement of which this Schedule forms a part. The parties agree that the foregoing recitals are true and correct, and for good and valuable consideration, the receipt of which is acknowledged by each of the parties, the parties agree as follows:

1. **Transfer.** Effective as of the date of this Agreement, Franchisee does hereby bargain, sell, assign, convey, and transfer all of Franchisee's rights to the Successor Franchisee to operate the Graze Craze Business, pursuant to the Successor Franchise Agreement and any related written agreements between the Successor Franchisee and Franchisor. Subject to the terms of such Successor Franchise Agreement and related written agreements with Franchisor, the Successor Franchisee hereby accepts and assumes the rights and obligations of the Franchisee to operate the Graze Craze Business. Successor Franchisee is not assuming any liabilities of Franchisee to Franchisor. If, for any reason, the sale of Franchisee's business to Successor Franchisee is not completed, the General Release Agreement will be deemed null and void, and Franchisee shall continue to operate the Graze Craze Business under the terms of the Franchise Agreement. Unless otherwise provided in a written agreement between Franchisee and Successor Franchisee, Franchisee, during the period from the date hereof to the final closing date of the sale of the Graze Craze Business to the Successor Franchisee, shall operate the Graze Craze Business for his/her own account.

2. **Successor Agreements and Payments.** The Successor Franchisee is hereby delivering to Franchisor its duly signed Successor Franchise Agreement and any related agreements that may be required as a result of this transaction under the Franchise Agreement. The Successor Franchise Agreement means the current standard form of Franchise Agreement required by Franchisor, subject to any modifications consented to in writing by Franchisor. The Successor Franchisee is also hereby delivering to Franchisor a transfer fee in the amount of $29,500.00 or 10% of the sale price of the franchise business (whichever is greater). No initial franchise fee shall be due under the Successor Franchise Agreement from the Successor Franchisee.

3. **Consents, Subordination and Acknowledgments.** Franchisor consents to the transfer to and assumption by Successor Franchisee in accordance with this Agreement. Such consent does not constitute approval of, nor agreement with, any of the provisions of any agreement (other than this Agreement) between Franchisee and Successor Franchisee. The Franchisee and Successor Franchisee specifically acknowledge that Franchisor is not a party to any such agreements. Franchisee agrees that its rights pursuant to any agreements with the Successor Franchisee, are subject to and subordinate in all respects to Franchisor's rights under the Successor Franchise Agreement and all related agreements, if any, between Franchisor and Successor Franchisee, including all renewals, modifications, and extensions, if any, to such

agreements. Successor Franchisee agrees that its rights concerning Franchisor exist pursuant only to the written agreements entered between Franchisor and Successor Franchisee, and in the event of any conflict with the terms of this Agreement, except regarding the waiver of the payment of an initial franchise fee, the terms of such other agreements shall control. Successor Franchisee acknowledges that it has received and reviewed the General Release Agreement of which this Schedule "A" forms a part. The Successor Franchisee further acknowledges that, except as expressly provided in this Agreement, Franchisor has no liability with respect to, related to, or arising out of, any transaction between Franchisee and Successor Franchisee, and releases, indemnifies, and holds Franchisor harmless from same.

***Signatures on following page.***

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

**SUCCESSOR FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

# EXHIBIT E

# DEPOSIT RECEIPT LETTER

graze craze

CHARCUTERIE BOARDS & BOXES

## DEPOSIT RECEIPT LETTER

By this Receipt, **GRAZE CRAZE FRANCHISING, LLC** acknowledges that it has received a fully refundable deposit of $9,500 (USD) from:

Name: _____

Address: _____

_____

together with an application for a Graze Craze Franchise Agreement.

We have reviewed your application within our offices and would be pleased to move forward, including assisting you in selecting a location for your Graze Craze Store.

The deposit you paid will, at the time of signing your Franchise Agreement, be credited to the remainder of the franchise fee. In the event that you decide not to accept the Franchise Agreement for any reason, your deposit will be refunded. However, in the event that you do not sign a Franchise Agreement and you do not ask for a refund within three (3) years from the date you execute this Deposit Letter Receipt, your deposit shall become non-refundable.

Thank you for your sincere interest in entering into a Graze Craze Franchise Agreement. We believe we have assembled the best products, support staff, and system in our industry. We look forward to providing this to you and welcoming you into our franchise system. Please note, when you present a check as payment, you authorize us to deposit your check, make a one-time electronic fund transfer (EFT), or a substitute check, in which case funds may be withdrawn from your account on the same day payment is made and you will not receive a cancelled check back from your financial institution.

Sincerely,

**Graze Craze Franchising, LLC**

By: _____

_____
Print Name

Date: _____

**CANDIDATE:**

By: _____

_____
Print Name

Date: _____

# EXHIBIT F

# FINANCIAL STATEMENTS

Graze Craze Franchising, LLC

Audited Financial Statements

June 30, 2023, June 30, 2022, and June 30, 2021

GRAZE CRAZE FRANCHISING, LLC

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To Management
Graze Craze Franchising, LLC
West Palm Beach, Florida

# INDEPENDENT AUDITOR'S REPORT

**Opinion**

We have audited the accompanying financial statements of Graze Craze Franchising, LLC, which comprises the balance sheets as of June 30, 2023, June 30, 2022, and June 30, 2021, and the related statements of income and member's equity, and cash flows for the periods then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Graze Craze Franchising, LLC as of June 30, 2023, June 30, 2022, and June 30, 2021, and the results of its operations and its cash flows for the periods then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

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

**Responsibilities of Management for the Financial Statements**

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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

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

Milbery & Kesselman, CPAs, LLC
October 16, 2023

# Graze Craze Franchising, LLC
# Balance Sheets
# June 30, 2023, June 30, 2022, and June 30, 2021

| | 2023 | 2022 | 2021 |
|---|---|---|---|
| **ASSETS** | | | |
| **Current Assets** | | | |
| Cash and Cash Equivalents | $ 671,560 | $ 703,685 | $ 109,693 |
| Accounts Receivable, net | 33,009 | 971 | - |
| Contract Assets | 157,325 | - | - |
| Loans Receivable - Related Companies | 287,965 | 1,674,721 | - |
| Prepaid Expenses | 505,431 | 454,860 | - |
| Inventory | 83,755 | 9,456 | - |
| Total Current Assets | 1,739,045 | 2,843,693 | 109,693 |
| Property and Equipment, net | - | - | - |
| Other Assets | | | |
| Intangible Assets, net | 659,490 | 545,046 | 78,936 |
| Security Deposits | 50,612 | - | 2,850 |
| Total Other Assets | 710,102 | 545,046 | 81,786 |
| TOTAL ASSETS | $ 2,449,147 | $ 3,388,739 | $ 191,479 |
| **LIABILITIES AND MEMBER'S EQUITY** | | | |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Accounts Payable | $ 291,021 | $ 112,220 | $ 641 |
| Accrued Expenses | 82,229 | 154,636 | - |
| Contract Liabilities | 3,254,901 | 2,958,336 | - |
| Franchise Deposits | 124,500 | 161,500 | 9,500 |
| Loans Payable - Related Parties | - | - | 134,179 |
| Total Current Liabilities | 3,752,651 | 3,386,692 | 144,320 |
| Long Term Liabilities | - | - | - |
| TOTAL LIABILITIES | 3,752,651 | 3,386,692 | 144,320 |
| MEMBER'S EQUITY (DEFICIT) | (899,846) | 2,047 | 47,159 |
| TOTAL LIABILITIES AND MEMBER'S EQUITY | $ 2,852,805 | $ 3,388,739 | $ 191,479 |

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

# Graze Craze Franchising, LLC
## Statement of Income and Member's Equity
## For the periods ended June 30, 2023, June 30, 2022, and June 30, 2021

| | 2023 | 2022 | 2021 |
|---|---|---|---|
| **Income** | | | |
| Franchise Fees | $ 3,559,047 | $ 2,131,549 | $ - |
| Product | 2,059,047 | 634,356 | - |
| Royalties | 131,101 | 22,148 | - |
| Other Income | 1,200 | 775 | - |
| **Total Income** | 5,750,395 | 2,788,828 | - |
| **Cost of Goods Sold** | 3,247,452 | 1,910,739 | - |
| **Gross Profit** | $ 2,502,943 | $ 878,089 | $ - |
| **Expenses** | | | |
| Advertising | 220,800 | 216,284 | 6,946 |
| Amortization | 85,556 | 33,889 | 7,176 |
| Automobile | 64,788 | 19,196 | 121 |
| Bad Debt | 219,741 | - | - |
| Bank Service Charges | 4,944 | 2,083 | 32 |
| Computer and Software | 29,711 | 24,235 | 751 |
| Dues and Subscriptions | 4,864 | 2,118 | 720 |
| Insurance | 17,597 | 5,153 | - |
| Leasing Costs | 23,570 | - | - |
| Office | 2,897 | 3,921 | 1,120 |
| Payroll | 1,686,341 | 415,967 | 36,810 |
| Postage | 1,314 | 1,129 | 347 |
| Professional Fees | 177,116 | 69,107 | 5,000 |
| Registration and Licensing | 26,759 | 22,210 | 1,700 |
| Rent | - | 1,281 | 529 |
| Telephone | 5,257 | 9,616 | 1,744 |
| Travel | 428,482 | 113,745 | 956 |
| **Total Expenses** | 2,999,737 | 939,934 | 63,952 |
| **Net Loss before Other Income** | $ (496,794) | $ (61,845) | $ (63,952) |
| **Other Income/(Expense)** | | | |
| Interest Income | 164 | 11 | - |
| Gain/(Loss) on Foreign Currency Exchange | 911 | (155) | - |
| Other Income | - | 16,877 | - |
| Gain on Extinguishment of Debt | 689 | - | - |
| Damaged Inventory | 201,829 | - | - |
| Settlements | (608,692) | - | - |
| **Total Other Income/(Expense)** | (405,099) | 16,733 | - |
| **Net Loss** | $ (901,893) | $ (45,112) | $ (63,952) |
| **Member's Equity, Beginning** | 2,047 | 47,159 | - |
| **Member's Contributions** | - | - | 111,111 |
| **Member's Equity (Deficit), Ending** | $ (899,846) | $ 2,047 | $ 47,159 |

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

# Graze Craze Franchising, LLC
## Statement of Cash Flows
## For the periods ended June 30, 2023, June 30, 2022, and June 30, 2021

| | 2023 | 2022 | 2021 |
|---|---|---|---|
| **Cash Flows from Operating Activities** | | | |
| Net Loss | $ (901,893) | $ (45,112) | $ (63,952) |
| Adjustments to Reconcile Net Loss to Net Cash provided by Operations: | | | |
| Amortization | 85,556 | 33,889 | 7,176 |
| (Increase) Decrease in Accounts Receivable | (32,038) | (971) | - |
| (Increase) Decrease in Contract Assets | (157,325) | - | - |
| (Increase) Decrease in Loans Receivable | 1,386,756 | (1,674,721) | - |
| (Increase) Decrease in Prepaid Expenses | (50,571) | (454,860) | - |
| (Increase) Decrease in Inventory | (74,299) | (9,456) | - |
| (Increase) Decrease in Security Deposits | (50,612) | 2,850 | (2,850) |
| Increase (Decrease) in Accounts Payable | 178,801 | 111,580 | 641 |
| Increase (Decrease) in Accrued Expenses | (72,407) | 154,636 | - |
| Increase (Decrease) in Contract Liabilities | 296,565 | 2,958,336 | - |
| Increase (Decrease) in Franchise Deposits | (37,000) | 152,000 | 9,500 |
| Increase (Decrease) in Loans Payable - Related Parties | - | (134,179) | 134,179 |
| Cash provided by Operating Activities | 571,533 | 1,093,992 | 84,694 |
| **Cash Flows from Investing Activities** | | | |
| Additions - Intangible Assets | (200,000) | (500,000) | (86,112) |
| Cash used in Investing Activities | (200,000) | (500,000) | (86,112) |
| **Cash Flows from Financing Activities** | | | |
| Member's Contributions | - | - | 111,111 |
| Cash provided by Financing Activities | - | - | 111,111 |
| **Increase in Cash** | 371,533 | 593,992 | 109,693 |
| **Beginning Balance, Beginning** | 703,685 | 109,693 | - |
| **Ending Balance, Ending** | $ 1,075,218 | $ 703,685 | $ 109,693 |
| **SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:** | | | |
| Cash paid during the year: | | | |
| Interest | $ - | $ - | $ - |

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

## Notes to Financial Statements

### Note 1 Summary of Significant Accounting Policies

Nature of business - Graze Craze Franchising, LLC (the "Company"), a Florida limited liability company was formed on February 18, 2021 and is headquartered in West Palm Beach, Florida. The Company sells franchises that allow the purchaser to own and operate a Graze Craze store specializing in grazing and charcuterie style cuisine.

The Company has elected a year end of June 30.

A summary of the Company's significant accounting policies follows:

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

Revenue recognition - Initial franchise fees are recognized as revenue when services required under the franchise agreement have been performed by the Company. Franchise royalty revenues are based on franchisees' sales and are recognized as earned. Product and equipment revenue is recorded when legal title is transferred to the customer, generally when the product is shipped.

Cash concentration - The Company maintains its cash in two bank accounts which, at times, may exceed the federally-insured limits. The Company has not experienced any loss in such accounts. The Company believes it is not exposed to any significant credit risk on such accounts.

Accounts receivable - Trade receivables are carried at their estimated collectible amounts. Trade credit is generally extended on a short-term basis; thus trade receivables do not bear interest, although a finance charge may be applied to such receivables that are more than 30 days past due.

Credit risk - The Company performs on-going credit evaluations of each franchisee's financial condition. Accounts receivables are principally with franchises that are secured under the franchise agreements. The franchise agreements provide the Company with certain collateral, including inventory and fixed assets. Consequently, risk of loss is considered minimal.

Inventory - Inventory is stated at the lower of cost using the First-In-First-Out inventory method, or fair market value, and consists of equipment.

Intangible assets – Intangible assets subject to amortization include brand development costs and area development rights, which are being amortized on a straight-line basis over 5 - 10 years.

Advertising – Advertising primarily consist of the outside costs related to lead development. Advertising costs are expensed as incurred and were $220,800 for the year ended June 30, 2023, $216,284 for the year ended June 30, 2022, and $6,946 for the year ended June 30, 2021.

**Notes to Financial Statements**

**Note 1 Summary of Significant Accounting Policies (Continued)**

Long-lived assets - Long-lived assets held for use are subject to an impairment assessment if the carrying value is no longer recoverable based upon the undiscounted future cash flows of the asset. The amount of the impairment is the difference between the carrying amount and the fair value of the asset. The Company's estimate of undiscounted cash flows indicated that such carrying amounts were expected to be recovered.

Income taxes - The Company has elected to be taxed under sections of the federal and state income tax laws that provide that, in lieu of corporate income taxes, the members separately account for their pro rata shares of the Company's items of income, deduction, losses and credits. Therefore, no provision for income taxes is reflected in the Company's financial statements.

Leases - The Company recognizes and measures its leases in accordance with FASB ASC 842, *Leases*. The Company is a lessee in a month-to-month operating lease for office space. The Company determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The Company recognizes a lease liability and a right of use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate if it is readily determinable or otherwise the Company uses its incremental borrowing rate. The implicit rates of our leases are not readily determinable and accordingly, we use our incremental borrowing rate based on the information available at the commencement date for all leases. The Company's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment. The ROU asset is subsequently measured throughout the lease term at the amount of the re-measured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

The Company has elected, for all underlying class of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of twelve months or less at lease commencement, and do not include an option to purchase the underlying asset that the Company is reasonably certain to exercise. We recognize lease cost associated with our short-term leases on a straight-line basis over the lease term.

Recent accounting pronouncements - In June 2016, the FASB issued ASU 2016-13 Financial Instruments, Measurement of Credit Losses on Financial Instruments (Topic 326). The main objective of this update is to replace the incurred loss impairment methodology under current GAAP, with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. Trade receivables that management has the intent and ability to hold for the foreseeable future until payoff shall be reported in the balance sheet at outstanding principal adjusted for any charge-offs and the allowance for credit losses (no longer referred to as the allowance for doubtful accounts).

## Note 1 Summary of Significant Accounting Policies (Continued)

Recent accounting pronouncements (continued) – In November 2018, the FASB issued ASU 2018-19 to clarify and improve areas of guidance related to Topic 326. In April 2019, the FASB issued ASU 2019-04 to clarify and improve areas of guidance related to Topic 326. In May 2019, the FASB issued ASU 2019-05 to provide transition relief related to Topic 326. In November 2019, the FASB issued ASU 2019-10 which updated the effective date related to Topic 326 and ASU 2019-11 to clarify and address stakeholders' specific issues related to Topic 326. ASU 2016-13 and the related amendments are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Early adoption is permitted. Management is currently evaluating the impact that the adoption of ASU 2016-13 will have on the Company's financial statements.

In March 2020, the FASB issued ASU 2020-03, Codification Improvements to Financial Instruments. This ASU improves and clarifies various financial instrument topics, including the current expected credit losses standard issued in 2016. The ASU includes seven different issues that describe the areas of improvement and the related amendments to GAAP, intended to make the standards easier to understand and apply by eliminating inconsistencies and providing clarifications. The amendments have different effective dates ranging from fiscal years beginning after December 15, 2019 to 2023.

The adoption of the provisions of ASU 2020-03 with effective dates in 2021 did not have a material impact on the Company's financial statements. Management is currently evaluating the impact that the adoption of ASU 2020-03 that have effective dates in 2021 through 2023 will have on the Company's financial statements.

Related parties – For the purposes of these financial statements, parties are considered to be related to the Company where the Company and the party are subject to common control and/or common joint control. Related parties may be individuals or other entities.

Going concern – The Company evaluates whether there are conditions or events, considered in the aggregate, that raise substantial doubt about its ability to continue as a going concern for a period of one year after the date that the financial statements are available to be issued, taking into consideration the quantitative and qualitative information regarding the Company's current financial condition, conditional and unconditional obligations due and the funds and cash flow necessary to maintain operations within that time period. Based on management's evaluation, the Company will be able to continue in operation on a going concern basis for at least the next twelve months from the date these financial statements were available to be issued.

Date of management's review - Management evaluated events or transactions subsequent to the balance sheet date for potential recognition or disclosure in the financial statements through October 16, 2023, which is the date the financial statements were available for issuance.

**Notes to Financial Statements**

## Note 2 Cash and Cash Equivalents

The Company maintains cash balances at two financial institutions. Accounts at the institution are insured by the Federal Deposit Insurance Corporation for up to $250,000. At June 30, 2023, the Company had uninsured cash balances amounting to $421,560. At June 30, 2022, the Company had uninsured cash balances amounting to $203,685. At June 30, 2021, the Company didn't have any uninsured cash balances.

## Note 3 Accounts Receivable

Accounts receivable at June 30, 2023, June 30, 2022, and June 30, 2021 consisted of the following:

| | 2023 | 2022 | 2021 |
|---|---|---|---|
| Franchise Fees Receivable | $ 33,009 | $ 971 | $ - |
| Allowance for Doubtful Accounts | - | - | - |
| | $ 33,009 | $ 971 | $ - |

The bad debt deducted for the year ended June 30, 2023 was $219,741. The bad debt deducted for the year ended June 30, 2022 was $0. The bad debt deducted for the year ended June 30, 2021 was $0.

## Note 4 Intangible Assets

Intangible assets at June 30, 2023, June 30, 2022, and June 30, 2021 consisted of the following:

| | 2023 | 2022 | 2021 |
|---|---|---|---|
| Intangible Assets | $ 786,111 | $ 586,111 | $ 86,112 |
| Less: Accumulated Amortization | (126,621) | (41,065) | (7,176) |
| | $ 659,490 | $ 545,046 | $ 78,936 |

Amortization as of June 30, 2023 for the period ended is $85,556.

## Note 5 Transactions with Related Parties

The Company reimburses and receives reimbursements to and from Related Parties, for certain operating expenses, including payroll and other administrative expenses. For the period ended June 30, 2022, related party balances included loans receivable of $287,965. For the period ended June 30, 2022, related party balances included loans receivable of $1,674,721. For the period ended June 30, 2021, related party balances included loans payable of $134,179.

**Notes to Financial Statements**

## Note 6 Litigation

From time to time, the Company is involved in litigation, most of which is incidental and normal to its business. In the opinion of Company counsel, no litigation to which the Company currently is a party is likely to have a material adverse effect on the Company's results of operations, financial condition or cash flows.

## Note 7 Leases

The Company has an obligation as a lessee for office space with initial term of less than one year. The Company classified this lease as an operating lease. These leases generally contain renewal options for periods ranging from one to five years. Because the Company is not reasonably certain to exercise these renewal options, the optional periods are not included in determining the lease term, and associated payments under these renewal options are excluded from lease payments. The Company's leases do not include termination options for either party to the lease or restrictive financial or other covenants. Payments due under the lease contracts include fixed payments.

The components of leasing costs for the period ended June 30, 2023 are as follows:

| | |
|---|---|
| Short Term Leasing Costs | $ 23,570 |

## Note 8 Revenue Recognition in Accordance with FASB ASC 606

Contract balances

Contract balances from contracts with customers were as follows at June 30:

| | 2023 | 2022 | 2021 |
|---|---|---|---|
| Contract assets | $ 157,325 | $ - | $ - |
| Contract liabilities | 3,254,901 | 2,958,336 | - |

Disaggregation of revenue

The Company derives its revenues primarily from the sale of franchises. Revenue from performance obligations satisfied at a point in time consists of franchise fees, royalties, and other income. Revenue from performance obligations satisfied over time consists of the sale of master licenses and renewal franchise fees.

Performance obligations

For performance obligations related to the franchise fees, control transfers to the customer at a point in time. Revenues are recognized when the franchisee training is completed and the equipment is delivered.

## Note 8 Revenue Recognition in Accordance with FASB ASC 606 (Continued)

For performance obligations related to royalties and other income, control transfers to the customer at a point in time. Royalty revenues are recognized monthly based on the monthly sales from the franchisees.

For performance obligations related to master licenses and renewal franchise fees, control transfers to the customer over time. Revenues are recognized over the term of the contract.

Significant judgments

The Company sells franchises for an agreed upon contract amount. For fixed fee contracts, the Company is entitled to payment upon signing of the franchise agreement and recognizes the revenues when the performance obligations have been met.

## Note 9 Gain on Extinguishment of Debt

United Franchise Group Payroll Inc (UFGP), a related party, administers all payroll for the related entities. Payroll is allocated to each entity based on actual hours worked for each related entity. On January 31, 2021, UFGP was granted a loan from First American Bank, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act. The loan was allocated to the related entities based on the payroll allocation for the 2022 year. The loan allocation for the Company was $689. UFGP applied for and was granted loan forgiveness on June 6, 2022 for the entire amount of the loan in eligible expenditures for payroll and other expenses described in the CARES Act. Loan forgiveness has been granted and therefore reflected in Other Income in the accompanying Statement of Income and Member's Equity as of June 30, 2023.

## Note 10 Other Income

Under the provisions of the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") signed into law on March 27, 2020 and the subsequent extension of the CARES Act, UFGP, a related party whom administers all payroll for related entities, was eligible for a refundable employee retention credit subject to certain criteria. Payroll is allocated to each entity based on actual hours worked for each related entity. During the 2022 year, the Company recognized a $16,877 employee retention credit, which is included in Other Income in the statement of income and members' equity, and $16,877 is included in Payroll costs in the statement of income and members' equity.

# EXHIBIT F-1

# FINANCIAL STATEMENTS OF SIGN*A*RAMA INC. AND GUARANTY OF PERFORMANCE

Sign*A*Rama Inc.

Audited Consolidated Financial Statements

December 31, 2022, December 31, 2021, and December 31, 2020

SIGN*A*RAMA INC.

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To the Board of Directors
Sign*A*Rama Inc.
West Palm Beach, Florida

# INDEPENDENT AUDITOR'S REPORT

**Opinion**

We have audited the accompanying financial statements of Sign*A*Rama Inc. which comprises the consolidated balance sheet as of December 31, 2022, December 31, 2021, and December 31, 2020, the related consolidated statements of income and retained earnings, cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sign*A*Rama Inc. as of December 31, 2022, December 31, 2021, and December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

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

**Responsibilities of Management for the Financial Statements**

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Sign*A*Rama Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Sign*A*Rama Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Milbery & Kesselman, CPAs, LLC
March 28, 2023

# SIGN*A*RAMA INC.

## Consolidated Balance Sheet

## As of December 31, 2022, December 31, 2021, and December 31, 2020

| | 2022 | 2021 | 2020 |
|---|---|---|---|
| **ASSETS** | | | |
| **Current Assets** | | | |
| Cash and Cash Equivalents | $ 1,356,793 | $ 892,108 | $ 813,893 |
| Marketable Securities - at FMV | 6,253,844 | 6,709,494 | 4,699,068 |
| Accounts Receivable (net of Allowance for Doubtful Accounts) | 1,347,153 | 1,452,256 | 2,644,583 |
| Contract Assets | 244,480 | 223,396 | - |
| Inventory | 114,105 | 58,536 | 108,250 |
| Prepaid Expenses | 176,381 | 113,448 | 71,627 |
| Loans Receivable - Related Companies | 15,435,024 | 6,994,284 | 6,185,089 |
| Current Portion Promissory Notes | 22,063 | 27,156 | 62,987 |
| Total Current Assets | 24,949,843 | 16,470,678 | 14,585,497 |
| Property and Equipment (net of Accumulated Depreciation) | 6,269,960 | 7,501,243 | 7,644,190 |
| **Other Assets** | | | |
| Promissory Notes (net of Allowance for Credit Losses) | 23,540 | 38,973 | 53,909 |
| Operating Lease Right of Use Asset | 74,088 | - | - |
| Security Deposits | 210,867 | 8,113 | 3,000 |
| Investments | 250,000 | 250,000 | 250,000 |
| Total Other Assets | 558,495 | 297,086 | 306,909 |
| **TOTAL ASSETS** | $ 31,778,298 | $ 24,269,007 | $ 22,536,596 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | | |
| **LIABILITIES** | | | |
| **Current Liabilities** | | | |
| Accounts Payable | $ 1,626,231 | $ 1,396,320 | $ 2,378,092 |
| Accrued Expenses | 2,061,011 | 1,603,625 | 1,344,025 |
| Franchise Deposits | 165,900 | 156,626 | 192,175 |
| Contract Liabilities | 1,447,955 | 802,892 | 2,489,978 |
| Lines of Credit | 4,153,961 | 2,000,000 | 2,000,000 |
| Current Portion of Long Term Debt | 453,516 | 344,172 | 308,463 |
| Current Portion of Operating Lease Liability | 47,926 | - | - |
| Total Current Liabilities | 9,956,500 | 6,303,635 | 8,712,733 |
| **Long Term Liabilities** | | | |
| Long Term Debt, net of Current Portion | 7,425,502 | 5,332,498 | 5,611,167 |
| Operating Lease Liability, net of Current Portion | 30,344 | - | - |
| Total Long Term Liabilities | 7,455,846 | 5,332,498 | 5,611,167 |
| TOTAL LIABILITIES | 17,412,346 | 11,636,133 | 14,323,900 |
| **STOCKHOLDERS' EQUITY** | | | |
| Common Stock | 1,000 | 1,000 | 1,000 |
| Additional Paid In Capital | 499,000 | 499,000 | 499,000 |
| Retained Earnings | 13,221,597 | 11,076,813 | 6,651,629 |
| Accumulated Other Comprehensive Income | 644,355 | 1,056,061 | 1,061,067 |
| TOTAL STOCKHOLDERS' EQUITY | 14,365,952 | 12,632,874 | 8,212,696 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | $ 31,778,298 | $ 24,269,007 | $ 22,536,596 |

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

# SIGN*A*RAMA INC.
## Consolidated Statement of Income and Retained Earnings
## For the years ended December 31, 2022, December 31, 2021, and December 31, 2020

| | 2022 | 2021 | 2020 |
|---|---|---|---|
| **Income** | | | |
| Franchise Fees | $ 2,747,981 | $ 2,869,537 | $ 2,369,532 |
| Product | 563,995 | 2,362,424 | 1,093,661 |
| Commissions | - | 38 | - |
| Royalties | 12,413,942 | 11,122,259 | 9,904,864 |
| Other Income | 124,498 | 299,300 | 128,224 |
| Total Income | 15,850,416 | 16,653,558 | 13,496,281 |
| **Cost of Goods Sold** | 2,063,587 | 2,682,780 | 1,732,454 |
| **Gross Profit** | $ 13,786,829 | $ 13,970,778 | $ 11,763,827 |
| **Expenses** | | | |
| Advertising | 1,137,339 | 1,202,500 | 1,055,329 |
| Automobile | 238,528 | 246,323 | 224,752 |
| Bad Debt | 502,774 | 609,702 | 1,247,176 |
| Bank Service Charges | 167,900 | 120,030 | 114,011 |
| Computer and Software | 157,154 | 140,347 | 202,750 |
| Depreciation and Amortization | 277,051 | 283,486 | 299,279 |
| Dues and Subscriptions | 76,769 | 62,137 | 50,107 |
| Insurance | 251,859 | 130,390 | 181,571 |
| Leasing Costs | 154,088 | 139,812 | 137,386 |
| Licensing and Registrations | 21,098 | 24,023 | 16,500 |
| Office | 733,342 | 843,752 | 420,755 |
| Payroll | 5,017,620 | 5,675,233 | 6,488,437 |
| Postage | 47,069 | 36,496 | 25,693 |
| Professional Fees | 814,443 | 688,823 | 578,504 |
| Taxes | 175,272 | 161,119 | 189,233 |
| Telephone | 572,265 | 660,701 | 773,939 |
| Travel and Meals | 1,016,837 | 427,626 | 345,373 |
| Total Expenses | 11,361,408 | 11,452,500 | 12,350,795 |
| **Net Income before Other Income/(Expense)** | $ 2,425,421 | $ 2,518,278 | $ (586,968) |
| **Other Income/(Expense)** | | | |
| Interest and Dividend Income | 157,879 | 253,092 | 88,101 |
| Interest Expense | (572,533) | (421,959) | (465,032) |
| Income Tax | (80,000) | (80,000) | (20,000) |
| Gain/(Loss) on Foreign Currency Exchange | (88,706) | (57,838) | (62,349) |
| Gain/(Loss) on Sale of Assets | 370,102 | - | - |
| Realized Gain/(Loss) on Investments | (505,301) | 443,316 | (44,198) |
| Gain on Extinguishment of Debt | 869,564 | - | 1,953,255 |
| Other Income | - | 1,770,295 | 268,206 |
| Total Other Income/(Expense) | 151,005 | 1,906,906 | 1,717,983 |
| **Net Income** | $ 2,576,426 | $ 4,425,184 | $ 1,131,015 |
| **Retained Earnings, Beginning** | 11,076,813 | 6,651,629 | 5,534,734 |
| **Stockholders' Distributions** | (431,642) | - | (14,120) |
| **Retained Earnings, Ending** | $ 13,221,597 | $ 11,076,813 | $ 6,651,629 |

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

# SIGN*A*RAMA INC.
## Consolidated Statement of Cash Flows
## For the years ended December 31, 2022, December 31, 2021, and December 31, 2020

| | 2022 | 2021 | 2020 |
|---|---|---|---|
| **Cash Flows from Operating Activities** | | | |
| Net Income | $ 2,576,426 | $ 4,425,184 | $ 1,131,015 |
| Adjustments to reconcile net income to net cash provided/(used) by Operations | | | |
| Depreciation and Amortization | 277,051 | 283,486 | 299,279 |
| Gain on Sale of Assets | (370,102) | - | - |
| Realized (Gain)/Loss on Investments | 505,301 | (443,316) | 44,198 |
| (Increase)/Decrease in Accounts Receivable | 105,103 | 1,192,327 | 448,765 |
| (Increase)/Decrease in Contract Assets | (21,084) | (223,396) | - |
| (Increase)/Decrease in Inventory | (55,569) | 49,714 | (20,578) |
| (Increase)/Decrease in Prepaid Expenses | (62,933) | (41,821) | (17,506) |
| (Increase)/Decrease in Operating Lease Right of Use Asset | (74,088) | - | - |
| (Increase)/Decrease in Security Deposits | (202,754) | (5,113) | 28,745 |
| Increase/(Decrease) in Accounts Payable, Accrued Expenses, and Franchise Deposits | 696,571 | (757,721) | (950,975) |
| Increase/(Decrease) in Contract Liabilities | 645,063 | (1,687,086) | 2,489,978 |
| Increase/(Decrease) in Operating Lease Liability | 78,270 | - | - |
| Cash provided/(used) by Operating Activities | 4,097,255 | 2,792,258 | 3,452,921 |
| **Cash Flows from Investing Activities** | | | |
| Acquisition of Fixed Assets | (98,984) | (140,464) | (91,160) |
| Proceeds from Sale of Assets | 1,367,969 | - | - |
| Sale (Purchase) of Investments | (461,357) | (1,572,191) | (2,083,439) |
| Cash provided/(used) by Investing Activities | 807,628 | (1,712,655) | (2,174,599) |
| **Cash Flows from Financing Activities** | | | |
| Promissory Notes | 20,526 | 50,767 | 25,445 |
| Stockholders' Distributions | (431,642) | - | (14,120) |
| Lines of Credit | 2,153,961 | - | 1,002,148 |
| Loans Receivable - Related Companies | (8,440,740) | (809,195) | (908,663) |
| Loans Payable - Related Companies | - | - | (796,237) |
| New Borrowings: | | | |
| Long Term | 2,600,000 | 71,186 | 150,000 |
| Debt Reduction: | | | |
| Short Term | 23,711 | 35,709 | 16,802 |
| Long Term | (366,014) | (349,855) | (241,731) |
| Cash provided/(used) by Financing Activities | (4,440,198) | (1,001,388) | (766,356) |
| **Increase/(Decrease) in Cash** | 464,685 | 78,215 | 511,966 |
| **Beginning Balance** | 892,108 | 813,893 | 301,927 |
| **Ending Balance** | $ 1,356,793 | $ 892,108 | $ 813,893 |
| **Supplemental disclosures of cash flow information:** | | | |
| **Cash paid during the year for:** | | | |
| Interest | $ 572,533 | $ 421,959 | $ 465,032 |
| Income Taxes | $ 3,252 | $ 43,333 | $ 36,887 |

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

**Sign*A*Rama Inc.**

**Notes to Consolidated Financial Statements**

## Note 1 Summary of Significant Accounting Policies

Nature of business – Sign*A*Rama Inc. (the "Company") was incorporated in Florida on March 4, 1987 and is headquartered in West Palm Beach, Florida, with a corporate warehouse located in Newton, North Carolina. The Company sells domestic and international franchises that allow the purchaser to operate full service retail sign centers.

The Company elected to be treated as a Subchapter S Corporation with the Internal Revenue Service, effective March 1, 1995. The Company has elected a year end of December 31.

Principles of consolidation – The financial statements include the operations of Sign*A*Rama Inc. and its wholly owned subsidiaries Sign A Rama Global Accounts, World Franchisors, and Moss Acquisitions, LLC. All significant intercompany transactions have been eliminated in consolidation.

All foreign operations are translated to U.S. dollars at the exchange rate in effect at year-end. Income and expense items and cash flows are translated at the average exchange rate for each year.

A summary of the Company's significant accounting policies follows:

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

Revenue recognition - Initial franchise fees are recognized as revenue when services required under the franchise agreement have been performed by the Company. Franchise royalty revenues are based on franchisees' sales and are recognized as earned. Product and equipment revenue is recorded when legal title is transferred to the franchisee, generally when the product is shipped.

Cash concentration - The Company maintains its cash in four banks which, at times, may exceed the federally-insured limits. The Company has not experienced any loss in such accounts. The Company believes it is not exposed to any significant credit risk on such accounts.

Accounts receivable - Trade receivables are carried at their estimated collectible amounts. Trade credit is generally extended on a short-term basis; thus trade receivables do not bear interest, although a finance charge may be applied to such receivables that are more than 30 days past due.

Credit risk - The Company performs on-going credit evaluations of each franchisee's financial condition. Accounts receivable are principally with franchises that are secured under the franchise agreements. The franchise agreements provide the Company with certain collateral, including inventory and fixed assets. Consequently, risk of loss is considered minimal.

## Note 1 Summary of Significant Accounting Policies (continued)

Inventory - Inventory is stated at the lower of cost using the First-In-First-Out inventory method, or fair market value, and consists of equipment.

Property and equipment - Property and equipment is stated at cost. Depreciation is computed by the straight-line method over the following estimated useful lives:

| | |
|---|---|
| Machinery and Equipment | 5 years |
| Furniture and Fixtures | 5 years |
| Vehicles | 5 years |
| Software | 3 years |
| Buildings | 39 years |
| Building Improvements | 15-39 years |

Expenditures for maintenance and repairs are expensed as incurred. Major improvements which increase the estimated useful life of an asset are capitalized. Upon the sale or retirement of assets, recorded cost and related accumulated depreciation are reduced from the accounts, and any gain or loss on disposal is reflected in operations.

Long-lived assets - Long-lived assets held for use are subject to an impairment assessment if the carrying value is no longer recoverable based upon the undiscounted future cash flows of the asset. The amount of the impairment is the difference between the carrying amount and the fair value of the asset. The Company's estimate of undiscounted cash flows indicated that such carrying amounts were expected to be recovered.

Advertising – Advertising primarily consist of the outside costs related to lead development. Advertising costs are expensed as incurred and were $1,137,339 for the year ended December 31, 2022, $1,202,500 for the year ended December 31, 2021, and $1,055,329 for the year ended December 31, 2020.

Leases – The Company recognizes and measures its leases in accordance with FASB ASC 842, *Leases*. The Company is a lessee in several operating leases for fixed assets and office space. The Company determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The Company recognizes a lease liability and a right of use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate if it is readily determinable or otherwise the Company uses its incremental borrowing rate. The implicit rates of our leases are not readily determinable and accordingly, we use our incremental borrowing rate based on the information available at the commencement date for all leases. The Company's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment.

## Note 1 Summary of Significant Accounting Policies (continued)

Leases (continued) – The ROU asset is subsequently measured throughout the lease term at the amount of the re-measured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

The Company has elected, for all underlying class of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of twelve months or less at lease commencement, and do not include an option to purchase the underlying asset that the Company is reasonably certain to exercise. We recognize lease cost associated with our short-term leases on a straight-line basis over the lease term.

Income taxes - The Company has elected to be taxed under sections of the federal and state income tax laws that provide that, in lieu of corporate income taxes, the shareholders separately account for their pro rata shares of the Company's items of income, deduction, losses and credits. Therefore, no provision for federal income tax is reflected in the Company's financial statements. The provision for state income taxes for 2022, 2021, and 2020 consisted of the following:

| | 2022 | 2021 | 2020 |
|---|---|---|---|
| Various State Income Taxes | $80,000 | $80,000 | $20,000 |

The Company is subject to taxation in various state jurisdictions. State jurisdictions have statutes of limitations that generally range from three to five years. As of December 31, 2022, none of the Company's tax returns are under examination.

Recent accounting pronouncements – In June 2016, the FASB issued ASU 2016-13 Financial Instruments, Measurement of Credit Losses on Financial Instruments (Topic 326). The main objective of this update is to replace the incurred loss impairment methodology under current GAAP, with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. Trade receivables that management has the intent and ability to hold for the foreseeable future until payoff shall be reported in the balance sheet at outstanding principal adjusted for any charge-offs and the allowance for credit losses (no longer referred to as the allowance for doubtful accounts). In November 2018, the FASB issued ASU 2018-19 to clarify and improve areas of guidance related to Topic 326. In April 2019, the FASB issued ASU 2019-04 to clarify and improve areas of guidance related to Topic 326. In May 2019, the FASB issued ASU 2019-05 to provide transition relief related to Topic 326. In November 2019, the FASB issued ASU 2019-10 which updated the effective date related to Topic 326 and ASU 2019-11 to clarify and address stakeholders' specific issues related to Topic 326. ASU 2016-13 and the related amendments are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Early adoption is permitted. Management is currently evaluating the impact that the adoption of ASU 2016-13 will have on the Company's financial statements.

## Note 1 Summary of Significant Accounting Policies (continued)

Recent accounting pronouncements (continued) - In March 2020, the FASB issued ASU 2020-03, Codification Improvements to Financial Instruments. This ASU improves and clarifies various financial instrument topics, including the current expected credit losses standard issued in 2016. The ASU includes seven different issues that describe the areas of improvement and the related amendments to GAAP, intended to make the standards easier to understand and apply by eliminating inconsistencies and providing clarifications. The amendments have different effective dates ranging from fiscal years beginning after December 15, 2019 to 2023.

The adoption of the provisions of ASU 2020-03 with effective dates in 2021 did not have a material impact on the Company's financial statements. Management is currently evaluating the impact that the adoption of ASU 2020-03 that have effective dates in 2021 through 2023 will have on the Company's financial statements.

Related parties – For the purposes of these financial statements, parties are considered to be related to the Company where the Company and the party are subject to common control and/or common joint control. Related parties may be individuals or other entities.

Going concern – The Company evaluates whether there are conditions or events, considered in the aggregate, that raise substantial doubt about its ability to continue as a going concern for a period of one year after the date that the financial statements are available to be issued, taking into consideration the quantitative and qualitative information regarding the Company's current financial condition, conditional and unconditional obligations due and the funds and cash flow necessary to maintain operations within that time period. Based on management's evaluation, the Company will be able to continue in operation on a going concern basis for at least the next twelve months from the date these financial statements were available to be issued.

Date of management's review – Management evaluated events or transactions subsequent to the balance sheet date for potential recognition or disclosure in the financial statements through March 28, 2023, which is the date the financial statements were available for issuance.

## Note 2 Cash and Cash Equivalents

The Company maintains cash balances at four financial institutions. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation for up to $250,000. Accounts at the Australian institution are insured by the Financial Claims Scheme for up to 250,000 AUD. At December 31, 2022, the Company had uninsured cash balances amounting to $638,809. At December 31, 2021, the Company had uninsured cash balances amounting to $382,018. At December 31, 2020, the Company had uninsured cash balances amounting to $555,181.

## Note 3 Accounts Receivable

Accounts receivable at December 31, 2022, 2021, and 2020 consisted of the following:

| | 2022 | 2021 | 2020 |
|---|---|---|---|
| Franchise Fees Receivable | $ 1,449,530 | $ 1,556,157 | $ 2,892,719 |
| Less Allowance for Doubtful Accounts | 102,377 | 103,901 | 248,136 |
| | $ 1,347,153 | $ 1,452,256 | $ 2,644,583 |

The bad debt deducted for the year ended 2022 was $502,774. The bad debt deducted for the year ended 2021 was $609,702. The bad debt deducted for the year ended 2020 was $1,247,176.

## Note 4 Property and Equipment

Property and equipment as of December 31, 2022, 2021, and 2020 consisted of the following:

| | 2022 | 2021 | 2020 |
|---|---|---|---|
| Machinery and Equipment | $ 625,325 | $ 608,237 | $ 573,949 |
| Furniture and Fixtures | 215,045 | 215,045 | 201,350 |
| Vehicles | 30,731 | - | - |
| Software | 53,600 | 53,600 | 117,652 |
| Buildings | 3,486,559 | 3,479,560 | 3,403,718 |
| Land | 2,243,705 | 3,296,922 | 3,296,922 |
| Building Improvements | 3,208,362 | 3,164,196 | 3,147,557 |
| | 9,863,327 | 10,817,560 | 10,741,148 |
| Less Accumulated Depreciation | 3,593,367 | 3,316,317 | 3,096,958 |
| | $ 6,269,960 | $ 7,501,243 | $ 7,644,190 |

Depreciation as of December 31, 2022 is $277,051.

## Note 5 Promissory Notes

The Company has promissory notes receivable with various franchisees; the notes bear interest at a rate of 5% per annum, and are amortized over periods of 1 to 10 years. On promissory notes bearing an interest rate below market, imputed interest is calculated and the note value is discounted.

## Note 6 Loans Receivable

Loans Receivable consists of short-term participating loans under agreements with employees. The loans receivable is non-interest bearing.

## Note 7 Investments

The Company's cost-method investments consist of the following as of December 31:

| | 2022 | 2021 | 2020 |
|---|---|---|---|
| X2 Engine, Inc. [(1)] | $ 250,000 | $ 250,000 | $ 250,000 |

(1) The Company invested in X2 Engine, Inc. for the purposes of anticipation of potential future software development projects. The investment represents 2.87% of the capital of the exchange and is stated at cost.

## Note 8 Loans Payable

Loans Payable consists of short-term loans with related companies. The loans payable bear interest at a rate of 5.50% per annum.

## Note 9 Lines of Credit

The Company has a line of credit with their primary bank, providing for a maximum borrowing of $2,000,000. The borrowings are collateralized by substantially all of the Company's assets and are personally guaranteed by the principle stockholder. The outstanding borrowings bear interest monthly at an annual rate of the Wall Street Journal Prime Rate plus 2.75% (7.50% as of December 31, 2022). The line of credit matures on June 15, 2023. The line of credit includes certain financial covenants. At December 31, 2022, the outstanding principal on this line was $1,700,000.

The Company has two loan management accounts with Merrill Lynch, which allows the Company to borrow against the investment account balance depending on the type of investment. The borrowings are collateralized by the investment account. The outstanding borrowings bear interest daily at a variable rate. At December 31, 2022, the outstanding principal on this line was $54,961.

The Company has a fixed loan account with Merrill Lynch, providing for a maximum borrowing of $2,400,000. The borrowings are collateralized by the investment account. The outstanding borrowings bear interest monthly at an annual rate of 4.423%. The loan expires on June 15, 2023. At December 31, 2022, the outstanding principal on this loan was $2,400,000.

## Note 10 Long Term Debt

Mortgage notes payable as of December 31,

| | 2022 | 2021 | 2020 |
|---|---|---|---|
| Long Term Debt | $ 7,879,018 | $ 5,676,670 | $ 5,919,630 |
| Less Current Portion | 453,516 | 344,172 | 308,463 |
| Total Non-Current Portion | $ 7,425,502 | $ 5,332,498 | $ 5,611,167 |

In December, 2018, the Company refinanced its mortgage note payable with JP Morgan Chase Bank to First American Bank. The principal amount of $4,800,000 is secured by the land and building of the corporate headquarters located in Florida. This mortgage note bears interest at a fixed rate of 6.10% and matures on November 15, 2033. The Mortgage Notes Payable agreement contains, among other provisions, certain restrictive covenants including the maintenance of certain prescribed Debt Service Coverage ratios. The company was in compliance of the Debt Service Coverage ratios for this mortgage for the year ended December 31, 2022. As of December 31, 2022, the outstanding principal amount of the note payable was $3,981,243.

In December, 2018, the Company refinanced its mortgage note payable with JP Morgan Chase Bank to First American Bank. The principal amount of $1,100,000 is secured by vacant land adjacent to the corporate headquarters. . This mortgage note bears interest at a fixed rate of 6.10% and matures on November 15, 2033. The Mortgage Notes Payable agreement contains, among other provisions, certain restrictive covenants including the maintenance of certain prescribed Debt Service Coverage ratios. The company was in compliance of the Debt Service Coverage ratios for this mortgage for the year ended December 31, 2022. As of December 31, 2022, the outstanding principal amount of the note payable was $912,197.

In December, 2018, the Company refinanced its mortgage note payable with Bank of America, N.A. The principal amount of $372,429 is secured by land and building of a corporate warehouse located in Newton, North Carolina. This mortgage note bears interest at a fixed rate of 5.89% and matures on November 1, 2028. As of December 31, 2022, the outstanding principal amount of the note payable was $243,656.

On July 27, 2020, the Company executed a promissory note for $150,000 under the Economic Injury Disaster Loans (“EIDL”) authorized by the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”). The loan bears an interest rate of 3.75% per annum and matures thirty years from the date of the note (July 2050). Under the loan agreement, the monthly payment of principal and interest is $731 beginning twenty-four months from the date of the note. As of December 31, 2022, the outstanding principal amount of the note payable was $150,000.

In June, 2021, the Company executed a note payable with a financial institution. The principal amount of $71,186 is secured by fixed assets. This note bears interest at a fixed rate of 8.50% and matures on June 25, 2025. As of December 31, 2022, the outstanding principal amount of the note payable was $47,271.

## Note 10 Long Term Debt (continued)

In April, 2022, the Company executed a mortgage note payable with First American Bank. The principal amount of $2,600,000 is secured by land and building of a corporate office located in West Palm Beach, Florida. This mortgage note bears interest at a fixed rate of 4.50% and matures on April 15, 2027. As of December 31, 2022, the outstanding principal amount of the note payable was $2,544,651.

Future minimum principal payments on the long-term debt as of December 31, 2022 are as follows:

For the year ending December 31,

| | |
|---|---|
| 2023 | 453,516 |
| 2024 | 480,299 |
| 2025 | 499,637 |
| 2026 | 518,632 |
| 2027 | 2,624,973 |
| Thereafter | 3,301,961 |
| Total | $ 7,879,018 |

## Note 11 Leases

The Company has obligations as a lessee for fixed assets with initial non-cancelable terms in excess of one year. The Company classified these leases as operating leases. The Company also has obligations as a lessee for office space with initial terms of less than one year. The Company classified these leases as short term leasing costs. These leases generally contain renewal options for periods ranging from one to five years. Because the Company is not reasonably certain to exercise these renewal options, the optional periods are not included in determining the lease term, and associated payments under these renewal options are excluded from lease payments. The Company's leases do not include termination options for either party to the lease or restrictive financial or other covenants. Payments due under the lease contracts include fixed payments.

The components of leasing costs for the period ended December 31, 2022 are as follows:

| | |
|---|---|
| Operating Lease Costs | $ 44,428 |
| Short Term Leasing Costs | 109,660 |
| Total Leasing Costs | $ 154,088 |

## Note 12 Litigation

From time to time, the Company is involved in litigation, most of which is incidental and normal to its business. In the opinion of Company counsel, no litigation to which the Company currently is a party is likely to have a material adverse effect on the Company's results of operations, financial condition or cash flows.

## Note 13 Revenue Recognition in Accordance with FASB ASC 606

Contract balances

Contract balances from contracts with customers were as follows:

| | 2022 | 2021 | 2020 |
|---|---|---|---|
| Contract assets | $ 244,480 | $ 223,396 | $ - |
| Contract liabilities | 1,447,955 | 802,892 | 2,489,978 |

Disaggregation of revenue

The Company derives its revenues primarily from the sale of franchises. Revenue from performance obligations satisfied at a point in time consists of franchise fees, royalties, and other income. Revenue from performance obligations satisfied over time consists of the sale of master licenses and renewal franchise fees.

Performance obligations

For performance obligations related to the franchise fees, control transfers to the customer at a point in time. Revenues are recognized when the franchisee training is completed and the equipment is delivered.

For performance obligations related to royalties and other income, control transfers to the customer at a point in time. Royalty revenues are recognized monthly based on the monthly sales from the franchisees.

For performance obligations related to master licenses and renewal franchise fees, control transfers to the customer over time. Revenues are recognized over the term of the contract.

Significant judgments

The Company sells franchises for an agreed upon contract amount. For fixed fee contracts, the Company is entitled to payment upon signing of the franchise agreement and recognizes the revenues when the performance obligations have been met.

## Note 14 Transactions with Related Parties

The Company reimburses and receives reimbursements to and from Related Parties, for certain operating expenses, including home office rent, payroll, and other administrative expenses.

For the year ending December 31, 2022, related party balances included net accounts receivable of $131,477, net loans receivable of $15,435,024. For the year ending December 31, 2021, related party balances included net accounts receivable of $157,771, net loans receivable of $6,994,284. For the year ending December 31, 2020, related party balances included net accounts receivable of $1,093,014 and net loans receivable of $6,185,089.

## Note 15 Gain on Extinguishment of Debt

United Franchise Group Payroll Inc (UFGP), a related party, administers all payroll for the related entities. Payroll is allocated to each entity based on actual hours worked for each related entity. On April 21, 2020, UFGP was granted a loan from First American Bank, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act. The loan was allocated to the related entities based on the payroll allocation for the 2020 year. The loan allocation for the Company was $1,953,255. UFGP applied for and was granted loan forgiveness on June 11, 2021 for the entire amount of the loan in eligible expenditures for payroll and other expenses described in the CARES Act. Loan forgiveness has been granted and therefore reflected in Other Income in the accompanying Consolidated Statement of Income and Member's Equity as of December 31, 2020.

United Franchise Group Payroll Inc (UFGP), a related party, administers all payroll for the related entities. Payroll is allocated to each entity based on actual hours worked for each related entity. On January 31, 2021, UFGP was granted a loan from First American Bank, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act. The loan was allocated to the related entities based on the payroll allocation for the 2021 year. The loan allocation for the Company was $869,564. UFGP applied for and was granted loan forgiveness on June 6, 2022 for the entire amount of the loan in eligible expenditures for payroll and other expenses described in the CARES Act. Loan forgiveness has been granted and therefore reflected in Other Income in the accompanying Consolidated Statement of Income and Member's Equity as of December 31, 2022.

## Note 16 Other Income

Under the provisions of the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") signed into law on March 27, 2020 and the subsequent extension of the CARES Act, UFGP, a related party whom administers all payroll for related entities, was eligible for a refundable employee retention credit subject to certain criteria. Payroll is allocated to each entity based on actual hours worked for each related entity. During the 2021 year, the Company recognized a $1,756,795 employee retention credit, which is included in Other Income in the consolidated statement of income and members' equity, and $1,756,795 is included in Payroll costs in the consolidated statement of income and members' equity.

## Note 17 Fair Value

Financial Accounting Standards Board (FASB) ASC Topic 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The company adopted changes made by Accounting Standards Update (ASU) 2011-04, Fair Value Measurement (Topic 820) Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs, which expands the disclosures, required for fair value accounting and clarifies the measurement of fair value when used in valuing certain assets and liabilities.

Fair value measurements are segregated into those that are recurring and nonrecurring. Recurring fair value measurements of assets and liabilities of those that are required or permitted in the statement of financial position at the end of each reporting period related to assets such as trading securities, securities available for sale, and private venture-capital equity investments.

Nonrecurring fair value measurements of assets and liabilities are required or permitted in the statement of financial position in particular circumstances such as when the company measures long-lived assets and goodwill for impairment, or assets and liabilities of business combination recorded at fair value at the acquisition date.

The three levels of inputs in the fair value hierarchy are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include: a) quoted prices for similar assets or liabilities in active markets, b) quoted prices for identical or similar assets and liabilities in active markets, c) inputs other than quoted prices that are observable for the asset or liability, and d) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

## Note 17 Fair Value (continued)

| | Fair Value Measurement at December 31, 2022 | | | | | |
|---|---|---|---|---|---|---|
| | Total Carrying Amount 12/31/22 | Fair Value Estimate 12/31/22 | Assets or Liabilities Measured at Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Inputs Other than Quoted Prices that are Observable (Level 2) | Significant Unobservable Inputs (Level 3) |
| Trading Securities | $ - | $ - | $ - | $ - | $ - | $ - |
| Equity Securities - Other | 6,253,844 | 6,253,844 | 6,253,844 | 6,253,844 | - | - |
| Total Trading Securities | $ 6,253,844 | $ 6,253,844 | $ 6,253,844 | $ 6,253,844 | $ - | $ - |

## Note 18 Risks and Uncertainties

The coronavirus (COVID-19) outbreak has caused disruption in international and U.S. economies and markets. The coronavirus and fear of further spread has caused quarantines, cancellation of events, and overall reduction in business and economic activity. On March 11, 2020 the *World Health Organization* designated the coronavirus outbreak a pandemic. Management continues to evaluate and monitor the potential adverse effect that this event may have on the Company's financial position, operations, and cash flows. The full impact of COVID-19 is unknown at this time and cannot be reasonably estimated as these events are still developing.

# GUARANTY OF PERFORMANCE

For value received, Sign*A*Rama Inc. ("Guarantor"), a corporation duly existing and organized under the laws of the State of Florida, located at 2121 Vista Parkway, West Palm Beach, FL 33411 absolutely and unconditionally guarantees the performance by Graze Craze Franchising, LLC, a Florida limited liability company ("Franchisor"), of all obligations of Franchisor in accordance with the terms and conditions of its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2023-24 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guaranty shall continue in force until all such obligations of Franchisor shall have been satisfied or until such liability of Franchisor to such franchisees has been completely discharged, whichever occurs first. Guarantor shall not be discharged from liability hereunder as long as any such claim by a franchisee against franchisor remains outstanding. Notice of acceptance is waived. Notice of default on the part of Franchisor is not waived. This guaranty shall be binding upon guarantor, its successors and assigns.

In witness whereof, guarantor has, by a duly authorized officer, executed this guaranty at West Palm Beach, Florida, this 17 day of October, 2023.

ATTEST:

Sally Rodriguez

Sign*A*Rama Inc. (Guarantor)

By: A.J. Titus

Name: A.J. Titus

Title: President

## UNAUDITED FINANCIAL STATEMENTS

THE FOLLOWING FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

# SIGNARAMA, INC.
## Consolidated Balance Sheet
### As of June 30, 2023

| | 2023 |
|---|---|
| ASSETS | |
| Current Assets | |
| Cash and Cash Equivalents | $ 293,541 |
| Marketable Securities - FMV | 7,763,627 |
| Accounts Receivable (net of Allowance for Doubtful Accoun | 2,900,141 |
| Inventory | 83,755 |
| Prepaid Expenses | 246,942 |
| Loans Receivable - Related Companies | 16,152,902 |
| Promissory Notes - Current Portion | |
| Total Current Assets | 27,440,908 |
| Property and Equipment (net of accumulated depreciation) | 6,526,303 |
| Other Assets | |
| Promissory Notes (net of Allowance for Credit Losses) | 30,904 |
| Security Deposits | 323,933 |
| Investments | 250,000 |
| Right of Use - Leases | 50,808 |
| Total Other Assets | 655,644 |
| TOTAL ASSETS | $ 34,622,855 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | |
| LIABILITIES | |
| Current Liabilities | |
| Accounts Payable | $ 1,445,723 |
| Accrued Expenses | 1,554,059 |
| Franchise Deposits | 2,430,496 |
| Line of Credit | 3,684,160 |
| Mortgages - Current Portion | |
| Total Current Liabilities | 9,114,438 |
| Long Term Liabilities | |
| Long Term Debt, less Current Portion | 8,247,794 |
| Notes Payable | 38,600 |
| Lease Payable | 52,987 |
| Total Long Term Liabilities | 8,339,381 |
| TOTAL LIABILITIES | 17,453,819 |
| STOCKHOLDERS' EQUITY | |
| Common Stock | 1,000 |
| Additional Paid In Capital | 499,000 |
| Retained Earnings | 16,078,821 |
| Accumulated Other Comprehensive Income | 590,216 |
| TOTAL STOCKHOLDERS' EQUITY | 17,169,037 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | $ 34,622,855 |

**SIGNARAMA, INC.**
**Consolidated Statement of Income and Retained**
**For the years ended June 30, 2023**

| | | 2023 |
|---|---|---|
| Income | | |
| Franchise Fees | $ | 2,312,586 |
| Product | | 885,927 |
| Commissions | | 0 |
| Royalties | | 6,464,530 |
| Other Income | | 85,640 |
| Total Income | | 9,748,683 |
| Cost of Goods Sold | | 1,681,399 |
| Gross Profit | $ | 8,067,285 |
| Expenses | | |
| Advertising | | 636,732 |
| Automobile | | 96,821 |
| Bad Debt | | (5,864) |
| Bank Service Charges | | 73,866 |
| Computer and Software | | 192,800 |
| Depreciation and Amortization | | 166,372 |
| Dues and Subscriptions | | 37,233 |
| Insurance | | 67,442 |
| Lease Expense | | (12,751) |
| Licensing and Registrations | | 21,654 |
| Office | | 314,702 |
| Payroll | | 1,895,085 |
| Postage | | 22,013 |
| Professional Fees | | 218,766 |
| Rent | | 55,658 |
| Taxes | | 105,531 |
| Telephone | | 244,075 |
| Travel and Meals | | 566,147 |
| Total Expense | | 4,696,282 |
| Net Income before Other Income/(Expense) | $ | 3,371,003 |
| Other Income/(Expense) | | |
| Interest and Dividend Income | | 97,649 |
| Interest Expense | | (344,421) |
| Income Tax | | |
| Gain/(Loss) on Foreign Currency Exchange | | 4,839 |
| Gain/(Loss) on Fixed Asset Disposal | | 0 |
| Realized Gain/(Loss) in Investments | | 52,144 |
| Stimulus Income | | 0 |
| Total Other Income/(Expense) | | (189,789) |
| Net Income | $ | 3,181,215 |

# EXHIBIT G

# OPERATING MANUAL TABLE OF CONTENTS

**Graze Craze**
**Franchise Operations Manual**
**Table of Contents**


| Section | Number of Pages (Including Cover Pages and Table of Contents Pages) |
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| **Section I** | |
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| Chapter 5 – Insurance and Risk Management | 7 |
| **Section II** | |
| Chapter 1 – Inventory | 14 |
| Chapter 2 – Daily Operating Procedures | 10 |
| Chapter 3 – Store Control | 5 |
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| Chapter 5 – Sanitation and Safety | 15 |
| Chapter 6 – Food Preparation and Recipes | 6 |
| **Total Number of Pages** | **123** |

# EXHIBIT H

# CURRENT AND FORMER FRANCHISEES

**Graze Craze Franchising, LLC**
**List of Franchisees as of June 30, 2023**

| Name | Address | City | State | Zip | Phone |
|---|---|---|---|---|---|
| Lionel Riley | 2200 SE J Street, Suite 10 | Bentonville | AR | 72712 | (479) 480-7499 |
| David Jeremias Hurtado | 931 Otay Lakes Rd | Chula Vista | CA | 91913 | (619) 271-7255 |
| Mark Hessling and Lisa Collins | 5730 E. Otero Ave. Suite 800 | Centennial | CO | 80112 | (617) 945-3781 |
| Douglas McMurdo | 2035 B Street | Colorado Springs | CO | 80906 | (719) 428-3735 |
| Kenneth "Brad" Akers and Sandra Akers | 6942 N. Academy Blvd. | Colorado Springs | CO | 80918 | (719) 387-1333 |
| Darlene Sullivan and Angela Fongemie | 683 Yorklyn Rd., Unit 3 | Hockessin | DE | 19707 | (302) 235-8250 |
| Jigisha Patel | 1201 US Hwy 1, Suite 5 | North Palm Beach | FL | 33408 | (561) 320-4574 |
| Alexandra Gonzalez | 2220 Central Ave, Suite A | St Petersburg | FL | 33712 | (727) 353-3411 |
| Kathryn Schwieterman | 650 Market St. | St. Augustine | FL | 32095 | (904) 490-9777 |
| Luteesa Ford | 2221 Peachtree Road NE, Suite N | Atlanta | GA | 30309 | (470) 905-3332 |
| Terry Hutchinson and Veronica Hutchinson | 6298 Veterans Parkway, Suite 3H | Columbus | GA | 31909 | (706) 395-7700 |
| Anju Singh | 5975 Roswell Road, Suite E359 | Sandy Springs | GA | 30328 | (470) 866-6636 |
| Grant Prata | 2054 Eagle Drive, Suite 110 | Woodstock | GA | 30189 | (678) 905-3271 |
| Justin Perez and Amber Perez | 5624 W. State St. | Boise | ID | 83703 | (208) 200-6055 |
| Christopher Clark and Kelly Clark | 1437 W. Schaumburg Rd. | Schaumburg | IL | 60194 | (847) 585-2311 |
| Julie Goodyke and Thomas Goodyke | 6275 28th St. SE | Grand Rapids | MI | 49546 | (616) 954-7553 |
| Lindsey Coffelt and Silas Coffelt | 2315 Jolly Rd. | Okemos | MI | 48864 | (517) 709-2828 |
| Jessica Moss and Michael MacGillivary | 1917 25 Mile Road | Shelby Township | MI | 48316 | (586) 480-1125 |
| Susan Paulakovich | 7713 Prairie View Rd. | Kansas City | MO | 64151 | (816) 503-6925 |
| Chelsea Shelton and Christopher Shelton | 16011 Lancaster Hwy C | Charlotte | NC | 28277 | (980) 259-7333 |
| Johnathan Flores | 4770 Montgomery Blvd. NE, #109 | Albuquerque | NM | 87109 | (505) 362-3281 |
| Myron Bursell and Monna May Bursell | 4092 Kietzke Lane | Reno | NV | 89502 | (775) 376-9473 |
| Jennifer Green and Andrew Weir | 1618 South Post Rd. | Midwest City | OK | 73130 | (405) 455-3595 |
| Thomas Cook | 14021 NE Glisan Street | Portland | OR | 97230 | (971) 345-6937 |
| Kevin Jilbert | 2190 York Road, Suite 6 | Jamison | PA | 18929 | (267) 759-3772 |
| Samantha Stephens and Brent Stephens | 151 Adams Lane, Suite 18 | Mt. Juliet | TN | 37122 | (615) 647-9447 |
| Shannon DiVitto | 675 Middle Tennessee Blvd., Suite E | Murfreesboro | TN | 37129 | (615) 962-8578 |
| Donnie Bedore | 4750 Bryant Irvin Road, Suite 808 | Fort Worth | TX | 76132 | (817) 886-8933 |

| Name | Address | City | State | Zip | Phone |
|---|---|---|---|---|---|
| Tiffany "Faith" Freeman Abshire and Justin Abshire | 12234 Queenston Blvd., Suite 500 | Houston | TX | 77095 | (346) 474-7293 |
| Rob Salinas | 1101 Ohio Drive | Plano | TX | 75093 | (469) 814-0341 |
| Fabiola Marques-Aguilar | 16111 San Pedro Ave, Ste 102 | San Antonio | TX | 78232 | (210) 900-4299 |
| Tiffany "Faith" Freeman Abshire and Justin Abshire | 1500 Research Forest Dr., Ste 110 | Shenandoah | TX | 77381 | (337) 517-9535 |
| Manuel Zaragoza and Elida Renova Zaragoza | 23227 Gosling Rd | Spring | TX | 77389 | (713) 501-4338 |
| Benton Perry and Preston Hadley | 7630 S. Union Park Avenue | Midvale | UT | 84047 | (385) 900-8480 |
| Benton Perry and Preston Hadley | 1926 W. Pleasant Grove Blvd., Suite B | Pleasant Grove | UT | 84062 | (385) 498-3921 |
| Matthew David Alter | 80 East 10600 South | Sandy | UT | 84070 | (801) 938-9878 |
| Melanie Bard, Nick Mastrodicasa, and Greg Torgeson | 2632 Bellevue Way NE | Bellevue | WA | 98004 | (425) 443-3601 |
| Cindy Rice and Alan Rice | 12709 E Mirabeau Parkway, Suite 50 | Spokane Valley | WA | 99216 | (509) 599-9640 |
| Iva Foreman and Timothy Kilgren | 616 Railroad Ave, Unit A | Zillah | WA | 98953 | (509) 314-6330 |

**Graze Craze Franchising, LLC**
**Franchisees Who Have Signed a Franchise Agreement but Have Not Opened**
**as of June 30, 2023**

| Name | Units | Address | City | State | Zip | Phone |
|---|---|---|---|---|---|---|
| Nicholas Mastrodicasa and Greg Torgeson | 3 | To Be Determined | TBD | AK | - | (907) 529-2403 |
| Christopher Dyess | 4 | To Be Determined | TBD | AL | - | (678) 799-0202 |
| Lionel Riley | 2 | To Be Determined | TBD | AR | - | (479) 685-9874 |
| Melissa Downing | 1 | To Be Determined | TBD | AZ | - | (602) 326-8301 |
| RuthAnn James and Jeffery James | 2 | To Be Determined | TBD | AZ | - | (602) 319-1256 |
| Stacy Kelly and Cynthia "Cindy" White | 2 | To Be Determined | TBD | AZ | - | (480) 220-9369 |
| Christopher Garrity | 5 | 1855 E Guadalupe Rd | Tempe | AZ | 85283 | (925) 899-1746 |
| Alejandro Romo Ortiz and Daniel Romo Ramos | 2 | 5691 La Jolla Blvd | La Jolla | CA | 92037 | (619) 919-1062 |
| Romena Kiryakous, Jennifer Yakow, and Megan Khalaf | 4 | 2900 Standiford Ave., Suite 9 | Modesto | CA | 95350 | (209) 417-9552 |
| Oghenegare "Gare" Uyovbievbo | 1 | 5030 E. 4th Street, Unit B | Ontario | CA | 91764 | (909) 657-1066 |
| Ben Madonna | 2 | 104 Niblick Road | Paso Robles | CA | 93446 | (805) 440-2837 |
| Christopher Stout and Stephanie Stout | 6 | To Be Determined | TBD | CA | - | (951) 973-2630 |
| Linda Mikha | 2 | To Be Determined | TBD | CA | - | (209) 604-5969 |
| Paul Lee and Amy Ling | 10 | To Be Determined | TBD | CA | - | (626) 899-3496 |
| Overlin Zamora, Jr. and Holly Zamora | 2 | 3833 W. Caldwell Ave, Suite F | Visalia | CA | 93277 | (559) 777-7172 |
| Curtis Malcolm | 1 | 6054-B Stetson Hills Blvd. | Colorado Springs | CO | 80923 | (719) 785-0664 |
| Douglas McMurdo | 2 | MUDA | TBD | CO | 80906 | (719) 482-8839 |
| Cynthia Conner | 1 | 1820 N. Dixie Hwy., Suite 1820 | Boca Raton | FL | 33432 | (210) 788-9815 |
| Steven Croye and Carmen Croye | 1 | 9600 Stirling Rd, Unit 103 | Cooper City | FL | 33024 | (954) 881-8221 |
| Orlando Viloria and Camilo Viloria | 1 | 7517 West Sample Road | Coral Springs | FL | 33065 | (321) 825-2226 |
| Talat Amirhajebi | 1 | 605 N Cty Hwy 393, Suite 15A | Santa Rosa Beach | FL | 32459 | (678) 613-5954 |
| Alyce Bartolomeo | 1 | To Be Determined | TBD | FL | - | (407) 625-5858 |
| Becki Mravunac and Tyson Mravunac | 1 | To Be Determined | TBD | FL | - | (403) 540-5884 |
| E. Lyzette Bryant and Ira Bryant, Jr. | 1 | To Be Determined | TBD | FL | - | (863) 661-4642 |
| Jigisha Patel | 2 | To Be Determined | TBD | FL | - | (336) 782-8498 |
| Raul Fernando Lopez Medina and Cristina Beyruti | 1 | To Be Determined | TBD | FL | - | (305) 504-4042 |

| Name | Units | Address | City | State | Zip | Phone |
|---|---|---|---|---|---|---|
| William "Paul" Sanders and Jocelyn Sanders | 1 | To Be Determined | TBD | FL | - | (720) 937-2086 |
| Anju Singh | 11 | To Be Determined | TBD | GA | - | (470) 866-6636 |
| Eric Oswald | 1 | To Be Determined | TBD | GA | - | (678) 502-8946 |
| Terry Hutchinson and Veronica Hutchinson | 2 | To Be Determined | TBD | GA | - | (706) 395-7700 |
| Justin Perez and Amber Perez | 3 | To Be Determined | TBD | ID | - | (702) 497-7969 |
| Mark Haubry and Tamara Haubry | 1 | To Be Determined | TBD | IN | - | (317) 691-2869 |
| Darrin Wendell Lowe and Terri Lowe | 1 | To Be Determined | TBD | MI | - | (248) 910-0881 |
| Julie Goodyke and Thomas Goodyke | 2 | To Be Determined | TBD | MI | - | (616) 954-7553 |
| Stacie Zundel and Michael "Jared" Zundel | 1 | To Be Determined | TBD | MT | - | (406) 570-4461 |
| Melissa Richter | 6 | 1028 Oberlin Rd. Suite 226 | Raleigh | NC | 27605 | (919) 249-7399 |
| Chelsea Shelton and Christopher Shelton | 1 | To Be Determined | TBD | NC | - | (606) 515-9247 |
| Lindsay Mann-Lariviere | 1 | To Be Determined | TBD | NC | - | (252) 373-1292 |
| Nicole Pratt-Nunley | 1 | To Be Determined | TBD | NC | - | (704) 918-0212 |
| Daniel Yaksich and Matthew Jaksha | 1 | 220 S. 31st Ave Suite 3109 | Omaha | NE | 68131 | (402) 215-4630 |
| Jamie Arango and Jesus Arango | 1 | To Be Determined | TBD | NE | - | (402) 730-2736 |
| Dragan Stojkovski | 1 | 88 E. Main Street | Ramsey | NJ | 07446 | (201) 574-1791 |
| Jane Carlolina Alzate-Santos | 1 | To Be Determined | TBD | NJ | - | (201) 206-2532 |
| Jenny Jee | 1 | To Be Determined | TBD | NJ | - | (917) 887-7133 |
| Sylvia de Hombre and Alexander de Hombre | 1 | To Be Determined | TBD | NJ | - | (201) 681-6972 |
| Thomas M. Cook | 10 | 6250 McLeod Drive | Las Vegas | NV | 89120 | (702) 987-4556 |
| Andrew Edrosa | 3 | To Be Determined | TBD | NV | - | (702) 340-7627 |
| Christine Rawda | 2 | To Be Determined | TBD | NY | - | (315) 952-7954 |
| Radhey Khanna | 1 | To Be Determined | TBD | NY | - | (516) 444-0012 |
| Kimberly Leeser and Joshua Leeser | 3 | To Be Determined | TBD | OH | - | (330) 786-6234 |
| Thomas M. Cook | 3 | 4111-4113 SE Hawthorne Blvd. | Portland | OR | 97214 | (702) 987-4556 |
| Jeanne Kuchta | 3 | 4612 Broadway Road | Allentown | PA | 18104 | (610) 871-1734 |
| Dawn Landman | 1 | To Be Determined | TBD | PA | - | (412) 583-4765 |
| Emily Whitaker | 1 | To Be Determined | TBD | PA | - | (412) 821-2900 |
| Kevin Jilbert | 2 | To Be Determined | TBD | PA | - | (989) 450-9325 |
| Keith Lovas | 1 | To Be Determined | TBD | SC | - | (843) 812-0023 |
| Raymond Plesscher | 4 | To Be Determined | TBD | SC | - | (906) 630-4680 |

| Name | Units | Address | City | State | Zip | Phone |
|---|---|---|---|---|---|---|
| Gracie Bowman | 1 | To Be Determined | TBD | TN | - | (615) 925-9247 |
| Steven Garrett and Alysha Garrett | 1 | To Be Determined | TBD | TN | - | (405) 519-6094 |
| Eniola Akintayo | 1 | 6705 US-290, Suite 609 | Austin | TX | 78735 | (443) 640-7726 |
| Malinee Kruasing | 1 | 2127 Lohman's Crossing Rd, #304 | Lakeway | TX | 78734 | (808) 357-4724 |
| Donnie Bedore and Johnny Bedore | 1 | 1101 Ohio Drive, Suite 116 | Plano | TX | 75093 | (469) 814-0341 |
| Donnie Bedore and Linda Bedore | 1 | To Be Determined | TBD | TX | - | (817) 240-5183 |
| Kelly Auzenne and Jude Auzenne, Jr. | 1 | To Be Determined | TBD | TX | - | (832) 414-8189 |
| Renee Whitley and Nicholas Whitley | 1 | To Be Determined | TBD | TX | - | (504) 957-5406 |
| Benton Perry and Preston Hadley | 5 | To Be Determined | TBD | UT | - | (801) 623-7648 |
| Jake Alter and Chelsea Alter | 3 | To Be Determined | TBD | UT | - | (801) 597-8858 |
| Matthew David Alter | 1 | To Be Determined | TBD | UT | - | (385) 499-0300 |
| Amaan Bhanji and Altaz Bhanji | 1 | To Be Determined | TBD | VA | - | (571) 719-1764 |
| James Allen | 2 | To Be Determined | TBD | VA | - | (434) 227-1338 |
| Stanley Domingo and Marissa Domingo | 1 | 209 12th Avenue South, Suite B | Seattle | WA | 98144 | (206) 255-2322 |
| Cindy Rice and Alan Rice | 2 | To Be Determined | TBD | WA | - | (509) 599-9640 |
| Iva Foreman and Timothy Kilgren | 2 | To Be Determined | TBD | WA | - | (253) 988-3949 |
| Jennifer Cook | 3 | To Be Determined | TBD | WA | - | (702) 987-4556 |
| Alexander Coutts | 1 | W61 N306 Washington Ave., L2 | Cedarburg | WI | 53012 | (651) 315-1788 |
| Chris O'Bryan | 1 | To Be Determined | TBD | WY | - | (307) 274-6078 |

**Graze Craze Franchising, LLC**
**List of Terminated, Cancelled, Not Renewed or Ceased to do Business Franchisees**
**as of June 30, 2023**

| Name | Address | City | State | Zip | Phone |
|---|---|---|---|---|---|
| Matthew Silzell | Not Applicable, Never Opened | - | CO | - | (970) 250-1694 |
| Kenneth "Brad" Akers and Sandra Akers (Multi-Unit Operators) | Not Applicable, Never Opened | - | CO | - | (850) 313-1582 |
| Michael Jamison (Multi-Unit Operator) | 13112 N. Florida Ave. Suite G | Tampa | FL | 33612 | (313) 627-2441 |
| John "Ben" Arnette (Multi-Unit Operator) | Not Applicable, Never Opened | - | GA | - | (404) 769-3833 |
| Kip Hawkins and Kristy Hawkins (Multi-Unit Operators) | 2233 N Ridge Rd, Suite 105 | Wichita | KS | 67205 | (316) 648-8889 |
| Jessica Lavallee and Jeremy Lavallee | 83 Cowls Rd., Commercial Unit A2 | Amherst | MA | 01002 | (413) 374-8387 |
| Dennis Sullivan | 223 Main St. | Woburn | MA | 01801 | (781) 698-9787 |
| Patricia Rocca | Not Applicable, Never Opened | - | NJ | - | (908) 285-1556 |
| Tolbert Corley | 1916 N. Perkins Road | Stillwater | OK | 74075 | (405) 830-6250 |
| Chelsea Shelton and Christopher Shelton | Not Applicable, Never Opened | - | SC | - | (606) 515-9247 |
| Steven Garrett and Alysha Garrett* | 151 Adams Ln, Suite 18 | Mount Juliet | TN | 37122 | (405) 519-6094 |
| David Scarbrough | Not Applicable, Never Opened | - | TX | - | (713) 545-0790 |
| Rob Salinas (Multi-Unit Operator) | Not Applicable, Never Opened | Dallas | TX | - | (469) 318-5350 |
| Samit Darne (Multi-Unit Operator) | 12234 Queenston Blvd., Suite 500 | Houston | TX | 77095 | (832) 221-4415 |
| Ricardo Gutierrez* | 16111 San Pedro Ave., Suite 102 | San Antonio | TX | 78232 | (210) 505-3915 |
| Matthew David Alter | Not Applicable, Never Opened | - | UT | - | (385) 499-0300 |

* Franchisees who sold their business during the 2023 period.

# EXHIBIT I

# PREVIOUSLY OWNED FRANCHISE OUTLET FOR SALE BY FRANCHISOR

## PREVIOUSLY OWNED FRANCHISE OUTLET FOR SALE BY FRANCHISOR

The following is the information related to the previous franchisee of franchise location currently for sale by the franchisor:

| | |
|---|---|
| Name: | Kip Hawkins |
| City/State: | Wichita, Kansas |
| Business Telephone Number: | TBD |
| Time Period Owned: | April 6, 2022 to April 27, 2023 |
| Reason for Change in Ownership: | Voluntary Transfer |
| Time Period for Franchisor Control: | Since April 27, 2023 |

# EXHIBIT J

# STATE ADDENDA TO DISCLOSURE DOCUMENT

## CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

CALIFORNIA CORPORATIONS CODE, SECTION 31125 REQUIRES THE FRANCHISOR TO GIVE THE FRANCHISEE A DISCLOSURE DOCUMENT, APPROVED BY THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION, PRIOR TO A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

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 14 DAYS PRIOR TO EXECUTION OF AGREEMENT.

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.

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF CALIFORNIA. SUCH REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION NOR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

1. The following paragraph is added to the end of Item 3 of the Disclosure Document:

Neither franchisor nor any person or franchise broker in Item 2 of this 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 such persons from membership in that association or exchange.

2. The following paragraph is added to the end of Item 6 of the Disclosure Document:

With respect to the Late Fee described in Item 6, this Item is amended to disclose that the maximum rate of interest permitted under California law is 10%.

3. The following paragraphs are added at the end of Item 17 of the Disclosure Document:

The Franchise Agreement requires franchisee to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring a franchise to waive compliance with any provision of that law or any rule or order thereunder is void.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

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

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

The Franchise Agreement requires application of the laws of Florida. This provision may not be enforceable under California law.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as the Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281 and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

## HAWAII ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Hawaii only, this Disclosure Document is amended as follows:

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

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

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

Commissioner of Securities
335 Merchant Street
Honolulu, Hawaii 96813

Registration of franchises or filings of offering circulars in other states. As of the date of filing of this Addendum in the State of Hawaii:

1. A franchise registration is effective or an offering circular is on file in the following states: _____

2. A proposed registration or filing is or will be shortly on file in the following states: _____

3. No states have refused, by order or otherwise to register these franchises.

4. No states have revoked or suspended the right to offer these franchises.

5. The proposed registration of these franchises has not been withdrawn in any state.

## ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT

**Special Risks to Consider About *This* Franchise:**

1. The franchisor's financial condition, as reflected in its financial statements (see item 21), calls into question the franchisor's financial ability to provide services and support to you.

2. This franchisor is in the early stages of development and has limited experience with franchising. Therefore, this franchise opportunity presents more risk than that of a company with a longer operating history.

3. The term of this franchise agreement is 35 years.

In the State of Illinois only, this Disclosure Document is amended as follows:

The performance of the franchisor's obligations under the Franchise Agreement has been guaranteed by our affiliate, EmbroidMe.com, Inc. d/b/a Fully Promoted, pursuant to a Guarantee of Performance. The interim unaudited financial statements ending April 30, 2021; and the audited financial statements for EmbroidMe.com, Inc. d/b/a Fully Promoted prepared in accordance with generally accepted accounting principles for the periods ending December 31, 2019, December 31, 2020 and December 31, 2021 are attached as part of Exhibit G-1, along with a copy of the Guaranty of Performance.
Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction of venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

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

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

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

## MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Maryland only, this Disclosure Document is amended as follows:

The "Special Risks to Consider About *This* Franchise" page is amended by adding the following language:

**Unopened Franchise.** The franchisor has signed a significant number of franchise agreements to franchisees who have not opened their outlets. If other franchisees have experienced this problem, you also may experience delays in getting your own outlet opened.

Item 5 of the Disclosure Document is amended by adding the following language:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, we have secured a surety bond in the amount of $293,984 with United States Fire Insurance Company. We have also secured a surety bond in the amount of $31,016 with American Contractors Indemnity Company. Copies of the bonds are on file at Maryland's State authority, Office of the Attorney, Securities Division, 200 St. Paul Place, Baltimore, Maryland 21202. The copies are also attached in Exhibit N.

The following is added to Item 17:

> Pursuant to COMAR 02-02-08-16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
>
> You are not required to assent to a period of limitations for causes of action under the Maryland Franchise Law, Business Regulation Article, §14-227, Annotated Code of Maryland, other than the period of limitations set forth in that statute. You must bring an action under such law within three years after the grant of the franchise.
>
> You have the right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.
>
> The Franchise Agreement provides for termination upon bankruptcy of the franchisee. This provision may not be enforceable under federal bankruptcy law.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

## MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

**Special Risks to Consider About *This* Franchise:**

The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

In the State of Minnesota only, this Disclosure Document is amended as follows:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, which states "No action may be commenced pursuant to this Section more than three years after the cause of action accrues."

- No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor,

franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

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

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

## NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

**Special Risks to Consider About *This* Franchise:**

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

In the State of New York only, this Disclosure Document is amended as follows:

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

> **INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

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

> Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:
>
> A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.
>
> B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.
>
> C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or

securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

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

3. The following is added to the end of Item 4:

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

4. The following is added to the end of Item 5:

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

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

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

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

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

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

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

8. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**", and Item 17(w), titled "**Choice of law**": The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

9. The following is added to the end of Item 19:

**REPRESENTATIONS REGARDING EARNINGS CAPABILITY**

GRAZE CRAZE FRANCHISING, LLC DOES NOT FURNISH OR AUTHORIZE ITS SALESPERSONS TO FURNISH ANY ORAL OR WRITTEN INFORMATION CONCERNING THE ACTUAL OR POTENTIAL SALES, COSTS, INCOME OR PROFITS OF A FRANCHISE. ACTUAL RESULTS VARY FROM UNIT TO UNIT AND GRAZE CRAZE FRANCHISING, LLC CANNOT ESTIMATE THE EARNINGS OF ANY PARTICULAR FRANCHISE.

## NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

In the State of North Dakota only, this Disclosure Document is amended as follows:

Per a requirement of the North Dakota Securities Department, the performance of Franchisor's obligations under the Franchise Agreement has been guaranteed by our affiliate, EmbroidMe.com, Inc. pursuant to a Guarantee of Performance.

THE SECURITIES COMMISSIONER HAS HELD THE FOLLOWING TO BE UNFAIR, UNJUST OR INEQUITABLE TO NORTH DAKOTA FRANCHISEES (NDCC SECTION 51-19-09):

1. Restrictive Covenants: Franchise disclosure documents that disclose the existence of covenants restricting competition contrary to NDCC Section 9-08-06, without further disclosing that such covenants will be subject to the statute.

2. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

3. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

4. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

5. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.

6. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.

7. Waiver of Exemplary & Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.

8. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.

9. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

10. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

## RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Rhode Island only, this Disclosure Document is amended as follows:

Item 17, summary columns for (v) and (w) are amended to add the following:

> Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

## VIRGINIA ADDENDUM TO DISCLOSURE DOCUMENT

In the Commonwealth of Virginia only, this Disclosure Document is amended as follows:

The following statements are added to Item 17(h):

> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.
>
> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to the franchisee under the franchise, that provision may not be enforceable.

Item 17(t) is amended to read as follows:

> Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable.

The "Special Risks to Consider About *This* Franchise" page is amended to add the following:

**Estimated Initial Investment.** The franchisee will be required to make an estimated initial investment ranging from $137,900 to $250,750. This amount exceeds the franchisor's stockholder's equity as of June 30, 2022 which is $2,047.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

## WASHINGTON ADDENDUM TO DISCLOSURE DOCUMENT

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

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration or mediation site will be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

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

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

Pursuant to RCW 49.62-020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**Use of Franchise Brokers.** The franchisor [uses/may use] the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees to ask them about their experience with the franchisor.

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# EXHIBIT K

# STATE ADDENDA TO FRANCHISE AGREEMENT

## CALIFORNIA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

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. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## ILLINOIS RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Illinois Act" means the Illinois Franchise Disclosure Act of 1987.

**2. Governing Law and Jurisdiction.** Notwithstanding any provision of the Agreement to the contrary, the Agreement is governed by Illinois law. The parties irrevocably submit to the jurisdiction and venue of the federal and state courts in Illinois, except for matters which the Agreement provides will be resolved by arbitration.

**3. Limitation of Claims.** No action can be maintained to enforce any liability created by the Illinois Act unless brought before the expiration of 3 years from the act or transaction constituting the violation upon which it is based, the expiration of 1 year after Franchisee become aware of facts or circumstances reasonably indicating that Franchisee may have a claim for relief in respect to conduct governed by the Illinois Act, or 90 days after delivery to the Franchisee of a written notice disclosing the violation, whichever shall first expire.

**4. Waivers Void.** Notwithstanding any provision of the Agreement to the contrary, any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Illinois Act or any other law of the State of Illinois is void. This Section shall not prevent Franchisee from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

**5.** No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**6. Guaranty of Performance.** The performance of our obligations under the Franchise Agreement has been guaranteed by our affiliate, EmbroidMe.com, Inc. d/b/a Fully Promoted, pursuant to a Guarantee of Performance. The interim unaudited financial statements ending July 31, 2022; and the audited financial statements for EmbroidMe.com, Inc. d/b/a Fully Promoted prepared in accordance with generally accepted accounting principles for the periods ending December 31, 2019, December 31, 2020 and December 31, 2021 are attached as part of Exhibit G-1, along with a copy of the Guaranty of Performance.

**7. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## INDIANA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Indiana Acts" means the Indiana Franchise Act and the Indiana Deceptive Franchise Practices Act.

**2. Certain Provisions Deleted**. To the extent required for the Agreement to be in compliance with the Indiana Acts, any provision of the Agreement which would have any of the following effects is hereby deleted:

(1) Requiring goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or services or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute a designation. This subdivision does not apply to the principal goods, supplies, inventories, or services manufactured or trademarked by the franchisor.

(2) Allowing the franchisor to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

(3) Allowing substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee.

(4) Allowing the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee.

(5) Requiring the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by the Indiana Deceptive Franchise Practices Act or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This subsection (5) does not apply to arbitration before an independent arbitrator.

(6) Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to a state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this subsection (6).

(7) Permitting unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this subsection (7) includes any material violation of the franchise agreement.

(8) Permitting the franchisor to fail to renew a franchise without good cause or in bad faith. This chapter shall not prohibit a franchise agreement from providing that the agreement is not renewable upon expiration or that the agreement is renewable if the franchisee meets certain conditions specified in the agreement.

(9) Requiring a franchisee to covenant not to compete with the franchisor for a period longer than three years or in an area greater than the exclusive area granted by the franchise agreement or, in absence of such a provision in the agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

(10) Limiting litigation brought for breach of the agreement in any manner whatsoever.

(11) Requiring the franchisee to participate in any (A) advertising campaign or contest; (B) promotional campaign; (C) promotional materials; or (D) display decorations or materials; at an expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the franchise agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

**3. <u>Effective Date</u>.** This Rider is effective as of the Effective Date.

Agreed to by:

| **FRANCHISOR:** | **FRANCHISEE:** |
|---|---|
| **GRAZE CRAZE FRANCHISING, LLC** | [*individual owners:*] |
| By: _____ | Signature: _____ |
| Name/Title: _____ | Name/Title: _____ |
| Date: _____ | Date: _____ |
| | Signature: _____ |
| | Name/Title: _____ |
| | Date: _____ |

## MARYLAND RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Maryland Franchise Law" means the Maryland Franchise Registration and Disclosure Law, Business Regulation Article, §14-206, Annotated Code of Maryland.

**2. No Waiver of State Law In Sale.** Notwithstanding any provision of the Agreement to the contrary, as a condition of the sale of a franchise, Graze Craze Franchising shall not require a prospective franchisee to agree to a release, assignment, novation, waiver, or estoppel that would relieve Graze Craze Franchising or any other person from liability under the Maryland Franchise Law.

**3. No Release of Liability.** Pursuant to COMAR 02-02-08-16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Law.

**4. Statute of Limitations.** Any provision of the Agreement which provides for a period of limitations for causes of action shall not apply to causes of action under the Maryland Franchise Law, Business Regulation Article, §14-227, Annotated Code of Maryland. Franchisee must bring an action under such law within three years after the grant of the franchise.

**5. Jurisdiction.** Notwithstanding any provision of the Agreement to the contrary, Franchisee does not waive its right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.

**6.** Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, we have secured a surety bond in the amount of $$293,984 with United States Fire Insurance Company. A copy of the bond is on file at Maryland's State authority, Office of the Attorney, Securities Division, 200 St. Paul Place, Baltimore, Maryland 21202. Also, a copy is attached in Exhibit N.

**7.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**8. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## MINNESOTA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Minnesota Act" means Minnesota Statutes, Sections 80C.01 to 80C.22.

**2. Amendments.** The Agreement is amended to comply with the following:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non- renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, and therefore the applicable provision of the Agreement is amended to state "No action may be commenced pursuant to Minnesota Statutes, Section 80C.17 more than three years after the cause of action accrues."

- No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

**3. <u>Effective Date</u>.** This Rider is effective as of the Effective Date.

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## NEW YORK RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

**2. Waivers Not Required.** Notwithstanding any provision of the Agreement to the contrary, Franchisee is not required to assent to a release, assignment, novation, waiver or estoppel which would relieve Graze Craze Franchising or any other person from any duty or liability imposed by New York General Business Law, Article 33.

**3 Waivers of New York Law Deleted.** Any condition, stipulation, or provision in the Agreement purporting to bind Franchisee to waive compliance by Graze Craze Franchising with any provision of New York General Business Law, or any rule promulgated thereunder, is hereby deleted.

**4. Governing Law.** Notwithstanding any provision of the Agreement to the contrary, the New York Franchises Law shall govern any claim arising under that law.

**5. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## NORTH DAKOTA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

**2. Amendments.** The Agreement (and any Guaranty Agreement) is amended to comply with the following:

(1) Restrictive Covenants: Every contract by which Franchisee, any Guarantor, or any other person is restrained from exercising a lawful profession, trade, or business of any kind is subject to NDCC Section 9-08-06.

(2) Situs of Arbitration Proceedings: Franchisee and any Guarantor are not required to agree to the arbitration of disputes at a location that is remote from the site of Franchisee's business.

(3) Restrictions on Forum: Franchisee and any Guarantor are not required to consent to the jurisdiction of courts outside of North Dakota.

(4) Liquidated Damages and Termination Penalties: Franchisee is not required to consent to liquidated damages or termination penalties.

(5) Applicable Laws: The Agreement (and any Guaranty Agreement) is governed by the laws of the State of North Dakota.

(6) Waiver of Trial by Jury: Franchisee and any Guarantor do not waive a trial by jury.

(7) Waiver of Exemplary & Punitive Damages: Franchisee does not waive exemplary and punitive damages.

(8) General Release: Franchisee and any Guarantor are not required to sign a general release upon renewal of the Agreement.

(9) Limitation of Claims: Franchisee is not required to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

(10) Enforcement of Agreement: The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

**3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## RHODE ISLAND RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

**2. Jurisdiction and Venue.** Any provision of the Agreement restricting jurisdiction or venue to a forum outside the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under Rhode Island Franchise Investment Act.

**3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## VIRGINIA RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## WASHINGTON RIDER TO FRANCHISE AGREEMENT

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

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration or mediation site will be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

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

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

Pursuant to RCW 19.100.180(2)(j), Subsection 14.1(c)(xiii) of the Franchise Agreement void and unenforceable in Washington.

Pursuant to RCW 49.62-020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims

under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**Use of Franchise Brokers.** The franchisor [uses/may use] the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees to ask them about their experience with the franchisor.

The undersigned does hereby acknowledge receipt of this addendum.

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

# EXHIBIT L

# STATE ADDENDA TO
# MULTI-UNIT DEVELOPMENT AGREEMENT

## ILLINOIS RIDER TO MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Multi-Unit Development Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Illinois Act" means the Illinois Franchise Disclosure Act of 1987.

**2. Governing Law and Jurisdiction.** Notwithstanding any provision of the Agreement to the contrary, the Agreement is governed by Illinois law. The parties irrevocably submit to the jurisdiction and venue of the federal and state courts in Illinois, except for matters which the Agreement provides will be resolved by arbitration.

**3. Limitation of Claims.** No action can be maintained to enforce any liability created by the Illinois Act unless brought before the expiration of 3 years from the act or transaction constituting the violation upon which it is based, the expiration of 1 year after Franchisee become aware of facts or circumstances reasonably indicating that Franchisee may have a claim for relief in respect to conduct governed by the Illinois Act, or 90 days after delivery to the Franchisee of a written notice disclosing the violation, whichever shall first expire.

**4. Waivers Void.** Notwithstanding any provision of the Agreement to the contrary, any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Illinois Act or any other law of the State of Illinois is void. This Section shall not prevent Franchisee from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

**5.** No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**6. Guaranty of Performance.** The performance of our obligations under the Franchise Agreement has been guaranteed by our affiliate, EmbroidMe.com, Inc. d/b/a Fully Promoted, pursuant to a Guarantee of Performance. The interim unaudited financial statements ending July 31, 2022; and the audited financial statements for EmbroidMe.com, Inc. d/b/a Fully Promoted prepared in accordance with generally accepted accounting principles for the periods ending December 31, 2019, December 31, 2020 and December 31, 2021 are attached as part of Exhibit G-1, along with a copy of the Guaranty of Performance.

**7.** **Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## INDIANA RIDER TO MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Multi-Unit Development Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Indiana Acts" means the Indiana Franchise Act and the Indiana Deceptive Franchise Practices Act.

**2. Certain Provisions Deleted**. To the extent required for the Agreement to be in compliance with the Indiana Acts, any provision of the Agreement which would have any of the following effects is hereby deleted:

(1) Requiring goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or services or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute a designation. This subdivision does not apply to the principal goods, supplies, inventories, or services manufactured or trademarked by the franchisor.

(2) Allowing the franchisor to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

(3) Allowing substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee.

(4) Allowing the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee.

(5) Requiring the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by the Indiana Deceptive Franchise Practices Act or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This subsection (5) does not apply to arbitration before an independent arbitrator.

(6) Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to a state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this subsection (6).

(7) Permitting unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this subsection (7) includes any material violation of the franchise agreement.

(8) Permitting the franchisor to fail to renew a franchise without good cause or in bad faith. This chapter shall not prohibit a franchise agreement from providing that the agreement is not renewable upon expiration or that the agreement is renewable if the franchisee meets certain conditions specified in the agreement.

(9) Requiring a franchisee to covenant not to compete with the franchisor for a period longer than three years or in an area greater than the exclusive area granted by the franchise agreement or, in absence of such a provision in the agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

(10) Limiting litigation brought for breach of the agreement in any manner whatsoever.

(11) Requiring the franchisee to participate in any (A) advertising campaign or contest; (B) promotional campaign; (C) promotional materials; or (D) display decorations or materials; at an expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the franchise agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

**3. <u>Effective Date</u>.** This Rider is effective as of the Effective Date.

Agreed to by:

| **FRANCHISOR:** | **FRANCHISEE:** |
|---|---|
| **GRAZE CRAZE FRANCHISING, LLC** | [*individual owners:*] |
| By: _____ | Signature: _____ |
| Name/Title: _____ | Name/Title: _____ |
| Date: _____ | Date: _____ |
| | Signature: _____ |
| | Name/Title: _____ |
| | Date: _____ |

## MARYLAND RIDER TO MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Multi-Unit Development Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Maryland Franchise Law" means the Maryland Franchise Registration and Disclosure Law, Business Regulation Article, §14-206, Annotated Code of Maryland.

**2. No Waiver of State Law In Sale.** Notwithstanding any provision of the Agreement to the contrary, as a condition of the sale of a franchise, Graze Craze Franchising shall not require a prospective franchisee to agree to a release, assignment, novation, waiver, or estoppel that would relieve Graze Craze Franchising or any other person from liability under the Maryland Franchise Law.

**3. No Release of Liability.** Pursuant to COMAR 02-02-08-16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Law.

**4. Statute of Limitations.** Any provision of the Agreement which provides for a period of limitations for causes of action shall not apply to causes of action under the Maryland Franchise Law, Business Regulation Article, §14-227, Annotated Code of Maryland. Franchisee must bring an action under such law within three years after the grant of the franchise.

**5. Jurisdiction.** Notwithstanding any provision of the Agreement to the contrary, Franchisee does not waive its right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.

**6.** Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, we have secured a surety bond in the amount of $$293,984 with United States Fire Insurance Company. A copy of the bond is on file at Maryland's State authority, Office of the Attorney, Securities Division, 200 St. Paul Place, Baltimore, Maryland 21202. Also, a copy is attached in Exhibit N.

**7.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**8. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## MINNESOTA RIDER TO MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Multi-Unit Development Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The "Minnesota Act" means Minnesota Statutes, Sections 80C.01 to 80C.22.

**2. Amendments.** The Agreement is amended to comply with the following:

- Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

- With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non- renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statues, Section 80C.12, Subd. 1(g).

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.

- The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5, and therefore the applicable provision of the Agreement is amended to state "No action may be commenced pursuant to Minnesota Statutes, Section 80C.17 more than three years after the cause of action accrues."

- No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

**3. <u>Effective Date</u>.** This Rider is effective as of the Effective Date.

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## NEW YORK RIDER TO MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Multi-Unit Development Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

**2. Waivers Not Required.** Notwithstanding any provision of the Agreement to the contrary, Franchisee is not required to assent to a release, assignment, novation, waiver or estoppel which would relieve Graze Craze Franchising or any other person from any duty or liability imposed by New York General Business Law, Article 33.

**3 Waivers of New York Law Deleted.** Any condition, stipulation, or provision in the Agreement purporting to bind Franchisee to waive compliance by Graze Craze Franchising with any provision of New York General Business Law, or any rule promulgated thereunder, is hereby deleted.

**4. Governing Law.** Notwithstanding any provision of the Agreement to the contrary, the New York Franchises Law shall govern any claim arising under that law.

**5. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## NORTH DAKOTA RIDER TO MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Multi-Unit Development Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

**2. Amendments.** The Agreement (and any Guaranty Agreement) is amended to comply with the following:

(1) Restrictive Covenants: Every contract by which Franchisee, any Guarantor, or any other person is restrained from exercising a lawful profession, trade, or business of any kind is subject to NDCC Section 9-08-06.

(2) Situs of Arbitration Proceedings: Franchisee and any Guarantor are not required to agree to the arbitration of disputes at a location that is remote from the site of Franchisee's business.

(3) Restrictions on Forum: Franchisee and any Guarantor are not required to consent to the jurisdiction of courts outside of North Dakota.

(4) Liquidated Damages and Termination Penalties: Franchisee is not required to consent to liquidated damages or termination penalties.

(5) Applicable Laws: The Agreement (and any Guaranty Agreement) is governed by the laws of the State of North Dakota.

(6) Waiver of Trial by Jury: Franchisee and any Guarantor do not waive a trial by jury.

(7) Waiver of Exemplary & Punitive Damages: Franchisee does not waive of exemplary and punitive damages.

(8) General Release: Franchisee and any Guarantor are not required to sign a general release upon renewal of the Agreement.

(9) Limitation of Claims: Franchisee is not required to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

(10) Enforcement of Agreement: The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

**3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## RHODE ISLAND RIDER TO MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Multi-Unit Development Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

**1. Definitions.** Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

**2. Jurisdiction and Venue.** Any provision of the Agreement restricting jurisdiction or venue to a forum outside the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under Rhode Island Franchise Investment Act.

**3. Effective Date.** This Rider is effective as of the Effective Date.

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## VIRGINIA RIDER TO MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Multi-Unit Development Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise

Agreed to by:

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

## WASHINGTON RIDER TO MULTI-UNIT DEVELOPMENT AGREEMENT

This Rider amends the Multi-Unit Development Agreement dated _____ (the "Agreement"), between Graze Craze Franchising, LLC, a Florida limited liability company ("Graze Craze Franchising") and _____, a _____ _____ ("Franchisee").

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

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration or mediation site will be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

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

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

Pursuant to RCW 49.62-020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**Use of Franchise Brokers.** The franchisor [uses/may use] the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees to ask them about their experience with the franchisor.

The undersigned does hereby acknowledge receipt of this addendum.

**FRANCHISOR:**

**GRAZE CRAZE FRANCHISING, LLC**

By: _____
Name/Title: _____
Date: _____

**FRANCHISEE:**

[*individual owners:*]

Signature: _____
Name/Title: _____
Date: _____

Signature: _____
Name/Title: _____
Date: _____

[*entity, if applicable:*]

_____

By: _____
Name/Title: _____
Date: _____

# EXHIBIT M

# CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

# CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

**THIS CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT** (this "Agreement") made as of the ____ day of _____, 20____, ("Effective Date") is by and between _____, d/b/a Graze Craze ("FRANCHISEE"), Graze Craze Franchising, LLC, a Florida limited liability company, ("COMPANY") and _____, a resident of the state of _____, ("INDIVIDUAL") (collectively, the "Parties").

**W I T N E S S E T H:**

WHEREAS, FRANCHISEE is a party to that certain franchise agreement dated _____, 20____ (the "Franchise Agreement") by and between FRANCHISEE and COMPANY; and

WHEREAS, FRANCHISEE desires INDIVIDUAL to have access to and review certain Trade Secrets and other Confidential Information, which are more particularly described below; and

WHEREAS, FRANCHISEE is required by the Franchise Agreement to have INDIVIDUAL execute this Agreement prior to providing INDIVIDUAL access to said Trade Secrets and other Confidential Information; and

WHEREAS, INDIVIDUAL understands the necessity of not disclosing any such information to any other party in which Trade Secrets and other Confidential Information (as defined below) could be used to the disadvantage of FRANCHISEE, or COMPANY, any affiliate of COMPANY or COMPANY's other franchisees.

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth herein, and intending to be legally bound hereby, the Parties hereby mutually agree as follows:

## 1. Trade Secrets and Confidential Information

INDIVIDUAL acknowledges and understands FRANCHISEE possesses and will possess Trade Secrets and other Confidential Information that are important to its business.

a) For the purposes of this Agreement, a "Trade Secret" is information in any form (including, but not limited to, materials and techniques, technical or non-technical data, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords and lists of actual or potential customers or suppliers) related to or used in the development and/or operation of Graze Craze Stores that is not commonly known by or available to the public and that information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

b) For the purposes of this Agreement "Confidential Information" means technical and non-technical information used in or related to the development and/or operation of Graze Craze Stores that is not commonly known by or available to the public, including, without limitation, Trade Secrets and information contained in the operating manual and training guides and materials. In addition, any other information identified as confidential when delivered by FRANCHISEE shall be deemed Confidential Information. Confidential Information shall not include, however, any information that: (i) is now or subsequently becomes generally available to the public through no fault of INDIVIDUAL; (ii) INDIVIDUAL can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure by FRANCHISEE pursuant to this Agreement; (iii) is independently developed without the use of any Confidential Information; or (iv) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information.

c) Any information expressly designated by COMPANY or FRANCHISEE as "Trade Secrets" or "Confidential Information" shall be deemed such for all purposes of this Agreement, but the absence of designation shall not relieve INDIVIDUAL of his or her obligations hereunder in respect of information otherwise constituting Trade Secrets or Confidential Information. INDIVIDUAL understands FRANCHISEE's providing of access to the Trade Secrets and other Confidential Information creates a relationship of confidence and trust between INDIVIDUAL and FRANCHISEE with respect to the Trade Secrets and other Confidential Information.

## 2. Confidentiality/Non-Disclosure

a) INDIVIDUAL shall not communicate or divulge to (or use for the benefit of) any other person, firm, association, or corporation, with the sole exception of FRANCHISEE, now or at any time in the future, any Trade Secrets or other Confidential Information. At all times from the date of this Agreement, INDIVIDUAL must take all steps reasonably necessary and/or requested by FRANCHISEE to ensure that the Confidential Information and Trade Secrets are kept confidential pursuant to the terms of this Agreement. INDIVIDUAL must comply with all applicable policies, procedures and practices that FRANCHISEE has established and may establish from time to time with regard to the Confidential Information and Trade Secrets.

b) INDIVIDUAL's obligations under paragraph 2(a) of this Agreement shall continue in effect after termination or expiration of INDIVIDUAL's relationship with FRANCHISEE, regardless of the reason or reasons for termination or expiration, and whether such termination or expiration is voluntary or involuntary, and FRANCHISEE and/or COMPANY are entitled to communicate INDIVIDUAL's obligations under this Agreement to any future customer or employer to the extent deemed necessary by FRANCHISEE and/or COMPANY for protection of their rights hereunder and regardless of whether INDIVIDUAL or any of its affiliates or assigns becomes an investor, partner, joint venturer, broker, distributor or the like in a Graze Craze Store.

## 3. Reasonableness of Restrictions

INDIVIDUAL acknowledges that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of FRANCHISEE, COMPANY, and COMPANY's Trade Secrets and other Confidential Information, the COMPANY's business system, network of franchises and trade and service marks, and INDIVIDUAL waives any right to challenge these restrictions as being overly broad, unreasonable, or otherwise unenforceable. If, however, a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then INDIVIDUAL shall submit to the reduction of any such activity, time period or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the Parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in any jurisdiction where enforcement is sought.

## 4. Relief for Breaches of Confidentiality

a) INDIVIDUAL further acknowledges that an actual or threatened violation of the covenants contained in this Agreement will cause FRANCHISEE and COMPANY immediate and irreparable harm, damage and injury that cannot be fully compensated for by an award of damages or other remedies at law. Accordingly, FRANCHISEE and COMPANY shall be entitled, as a matter of right, to an injunction from any court of competent jurisdiction restraining any further violation by INDIVIDUAL of this Agreement without any requirement to show any actual damage or to post any bond or other security. Such right to an injunction shall be cumulative and in addition to, and not in limitation of, any other rights and remedies that FRANCHISEE and COMPANY may have at law or in equity.

b) In addition, in the event of a violation of the covenants contained in the Agreement, the Parties agree that damages for such violations would be difficult to quantify. Due to the difficulty in the quantification of resulting damages, the Parties agree that Company would be entitled to liquidated damages in the amount of $85,500 per event of violation.

## 5. Miscellaneous

a) This Agreement constitutes the entire Agreement between the Parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between INDIVIDUAL, COMPANY and FRANCHISEE with respect to the subject matter hereof. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the Parties.

b) Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without reference to its conflict of laws principles). References to any law refer also to any successor laws and to any published regulations for such law as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

c) **ANY ACTION BROUGHT BY ANY OF THE PARTIES, SHALL ONLY BE BROUGHT IN THE APPROPRIATE STATE OR FEDERAL COURT LOCATED IN OR SERVING PALM BEACH COUNTY, FLORIDA. THE PARTIES WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSES OF CARRYING OUT THIS PROVISION. CLAIMS FOR INJUNCTIVE RELIEF MAY ALSO BE BROUGHT BY COMPANY OR FRANCHISEE WHERE FRANCHISEE IS LOCATED. THIS EXCLUSIVE CHOICE OF JURISDICTION AND VENUE PROVISION SHALL NOT RESTRICT THE ABILITY OF THE PARTIES TO CONFIRM OR ENFORCE JUDGMENTS OR AWARDS IN ANY APPROPRIATE JURISDICTION.**

d) INDIVIDUAL agrees if any legal proceedings are brought for the enforcement of this Agreement, in addition to any other relief to which the successful or prevailing party may be entitled, the successful or prevailing party shall be entitled to recover attorneys' fees, investigative fees, administrative fees billed by such party's attorneys, court costs and all expenses, including, without limitation, all fees, taxes, costs and expenses incident to arbitration, appellate, and post-judgment proceedings incurred by the successful or prevailing party in that action or proceeding.

e) This Agreement shall be effective as of the Effective Date and shall be binding upon the successors and assigns of INDIVIDUAL and shall inure to the benefit of FRANCHISEE and COMPANY and their subsidiaries, successors, and assigns.

f) The failure of any Party to insist upon performance in any one (1) or more instances upon performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of the other Parties with respect thereto shall continue in full force and effect.

g) The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement.

h) In the event that any part of this Agreement shall be held to be unenforceable or invalid, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

i) This Agreement may be modified or amended only by a written instrument duly executed by INDIVIDUAL, FRANCHISEE and COMPANY.

j) The existence of any claim or cause of action INDIVIDUAL might have against FRANCHISEE or COMPANY will not constitute a defense to the enforcement by FRANCHISEE or COMPANY of this Agreement.

k) Except as otherwise expressly provided in this Agreement, no remedy conferred upon FRANCHISEE or COMPANY pursuant to this Agreement is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be

in addition to every other remedy given pursuant to this Agreement or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy pursuant to this Agreement shall preclude any other or further exercise thereof.

**INDIVIDUAL CERTIFIES THAT HE OR SHE HAS READ THIS AGREEMENT CAREFULLY, AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO SUCH PERSON TO INDUCE THE SIGNING OF THIS AGREEMENT.**

**THE PARTIES ACKNOWLEDGE THAT THE COMPANY SHALL BE ENTITLED TO ENFORCE THIS AGREEMENT WITHOUT THE COOPERATION OF THE FRANCHISEE. INDIVIDUAL AND FRANCHISEE AGREE THAT THIS AGREEMENT CANNOT BE MODIFIED OR AMENDED WITHOUT THE WRITTEN CONSENT OF THE COMPANY.**

**IN WITNESS WHEREOF**, FRANCHISEE and COMPANY have hereunto caused this Agreement to be executed by its duly authorized officer, and INDIVIDUAL has executed this Agreement, all being done in triplicate originals with one (1) original being delivered to each Party.

WITNESS:

_____

FRANCHISEE:

Signature:_____
Name Printed:_____
Date:_____

WITNESS:

_____

INDIVIDUAL:

Signature:_____
Name Printed:_____
Date:_____

WITNESS:

_____

COMPANY:

By:_____
Its:_____

# EXHIBIT N

# STATE EFFECTIVE DATES

## STATE EFFECTIVE DATES

The following states require the disclosure document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

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

| State | Effective Date |
|---|---|
| California | Pending |
| Hawaii | Pending |
| Illinois | Pending |
| Indiana | Pending |
| Maryland | Pending |
| Michigan | Pending |
| Minnesota | Pending |
| New York | Pending |
| North Dakota | Pending |
| Rhode Island | Pending |
| South Dakota | Pending |
| Virginia | Pending |
| Washington | Pending |
| Wisconsin | Pending |

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

# EXHIBIT O

# DISCLOSURE DOCUMENT RECEIPT

# RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Graze Craze Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If Graze Craze Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (which are listed in Exhibit A).

Franchise Seller: Michael White and/or the Sales Agent(s) listed below, 2121 Vista Parkway, West Palm Beach, FL 33411, (561) 640-5570.

Issuance Date: October 17, 2023

I received a disclosure document dated October 17, 2023 that included the following Exhibits:

A. State Administrators and Agents for Service of Process
B. Multi-Unit Development Agreement
C. Franchise Agreement
D. Form of General Release
E. Deposit Receipt Letter
F. Financial Statements
F-1. Financial Statements of Guarantor and Guaranty of Performance
G. Operating Manual Table of Contents
H. Current and Former Franchisees
I. State Addenda to Disclosure Document
J. State Addenda to Franchise Agreement
K. State Addenda to Multi-Unit Development Agreement
L. Confidentiality and Nondisclosure Agreement
M. State Effective Dates
N. Disclosure Document Receipt

**DATE:**_____ _____
**(Do not leave blank)** **Print Sales Agent(s) Name(s)**

_____ _____
Prospective Franchisee **Signature** Prospective Franchisee **Printed Name**

_____ _____
Prospective Franchisee **Signature** Prospective Franchisee **Printed Name**

_____
**Corporate Name: (if applicable)**

**By:**_____ _____
Authorized Corporate Officer **Signature** **Printed** Corporate Officer Name / Title

## RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Graze Craze Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

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**DATE:**_____ _____
**(Do not leave blank)** **Print Sales Agent(s) Name(s)**

_____ _____
Prospective Franchisee **Signature** Prospective Franchisee **Printed Name**

_____ _____
Prospective Franchisee **Signature** Prospective Franchisee **Printed Name**

_____
**Corporate Name: (if applicable)**

**By:**_____ _____
Authorized Corporate Officer **Signature** **Printed** Corporate Officer Name / Title